Daily Report

Latin America

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Cuba

Castro Interviewed on Debt, Domestic Issues

PA2203210389 Quito EL COMERCIO in Spanish 7 Mar 89 p A-2

[Report by Mayra Clavijo on interview with President Fidel Castro in the Palace of the Revolution in Havana on 12 February]

[Text] The end of the visit was approaching and the much-desired interview had not taken place. I was part of a group of journalists on a tour of Havana, and we could not imagine ending the visit without first having met Fidel. Finally, on Sunday 12 February at 2100, the commander received us in the Palace of the Revolution.

Ivan Ona, a colleague who now works in Havana as press attache for the Ecuadoran Embassy, had contacted Cuban Foreign Ministry officials to arrange the meeting. He had also arranged a reception in his home.

As it turned out, no one was able to go to Ona's reception because Fidel held us spellbound for 5 hours with a fascinating, fluent, and passionate discourse on the revolution, the foreign debt, combined efforts among Latin American countries, perestroyka, and the improvement of relations between his country and Ecuador and Venezuela.

The meeting ended at 0200. It was the end of a busy day at Varadero Beach, and later, to chase away our fatigue, we spent 5 hours at the Palace of the Revolution but never felt sleepy. We left satisfied.

All the journalists spoke about the issues that concerned them during the almost 1-week-long visit to various places on the island. Commander Fidel Castro passionately discussed the issues. He also spoke about a savings campaign.

Castro said that as a result of a savings measure, the state is able to seize what could be regarded as excess money in the hands of the people. He said that this way the people will save, knowing that their money is safe in a bank and that it is not being devalued. He said that the people know that in Cuba there is no 200- or 300-percent inflation as there is in other countries and that if they have saved 30,000 pesos, the value of that money will not diminish.

Not everything resembles a paradise. Fidel, confronted by the journalists, admitted that young people as well as adults approach tourists around hotels to try to buy dollars or items sold in the stores that serve only foreigners. This is an endless battle, he said.

The commander of the revolution said that there are people who send their money to the United States and that harsh measures are not enough to stop that. He said: We could not imprison all those people.

Fidel underscored the achievements made in the housing sector, which provides thousands of jobs to Cubans employed in the massive construction projects that take place after normal business hours. Those who work on these projects are afforded preference in the assignment of living quarters, for which they pay only 6 percent of their salaries. The workers try to conserve as much construction material as possible.

The Cuban head of state spoke enthusiastically about health issues, because the health field is where the revolution has made some of its greatest achievements.

Regarding the foreign debt, the commander confirmed Cuba's position that it cannot be paid and that the situation in Cuba is similar to that in other countries. Cuba has been unable to pay either the principal or the interest for the past 3 years.

Socialist countries are facing a different situation because debt renegotiations are endemic to the socialist system.

Fidel believes that at first there was no support for the hypothesis that it was impossible to pay the debt but now the situation is different. Fidel Castro said: The debtor countries are struggling for a common solution, and it looks as if our position is beginning to gain ground.

He attributes this progress to the fact that the problem is increasingly grave, that not even oil-exporting countries such as Venezuela can pay the debt without depleting their foreign exchange reserves given the fact that they are simultaneously facing other difficult economic problems.

Using colloquialisms, Fidel multiplies and divides figures. Take 8,000 and multiply it by the value of the dollar in 1981, compare it to the value in 1988, and you will be able to see the reduced amount Venezuela now receives for its exports. Consequently, its problems have increased, Fidel says.

He is an expert on the subject, and his use of so many figures makes us quite dizzy. Commander Fidel Castro pointed out that the economic situation is serious. It is much more serious than in 1985, and therefore he believes that governments will unite in a common struggle out of necessity. It is a necessity, he reiterated. Necessity will bring about this miracle. Only the crisis can cause this miracle to happen, Castro said.

The Latin American leader was asked how recent events in Chile and Paraguay and the changes of government in Ecuador and Venezuela will affect the efforts to achieve regional unity.

"I believe," he said, "that they will have a positive effect." Not everything, of course, will have a positive effect. There is the case of Chile, where one finds it very difficult to agree with Pinochet. His political ideas and

his lack of a spirit of cooperation with the rest of Latin America makes it very difficult. A democratic opening in Chile would help, he added.

Fidel Castro said that in Paraguay we still cannot cry victory. We hope that the people will struggle to achieve democratization. The first steps that have been taken do not lead in that direction. There is a tendency to preserve the status quo.

Castro added that all new governments should be given an opportunity, no matter how small, to state their position. However, what we have seen to date—i.e., they [not further identified] have announced quick elections within 90 days—shows that all conditions exist for the continuance of the present system. It is the same system that was fostered under Stroessner. The only difference is that this one has a different leadership and wears a little makeup.

Sometimes Fidel uses sharp, ironic expressions and makes us smile with his stories of politicians and thieves. He jumps from one issue to another related issue, and when speaking of a political opening, he refers to Cuba itself and to the invitations he has begun to receive—for example from Ecuador (to the inauguration of President Rodrigo Borja).

"At that time," he said, "something happened that will not happen again. The heads of state were invited for the first time to Mexico. Then came the invitation to Venezuela." According to Castro, this shows more openness, an important change. This is contributing to greater concerted efforts, which had to be made because life demands it, he said.

Commander Castro then realized what time it was and ended his remarks. What was supposed to be a short conversation turned out to be a long interview. "I will be with you for a little while longer, but you will then have to go eat something, and I have other matters to attend to." It was about 0200 in the morning and Commander Fidel Castro still had work to do. Of course we asked ourselves when he slept and when he ever got tired because he still looked "fresh."

Before leaving the Palace of the Revolution, we sat on the table and held an informal chat with Fidel. The commander became concerned over the child of one of our companions in the group. He asked someone to lay him on a couch and to take care of him. He learned that the child had a health problem and he immediately had the child receive medical treatment in one of the medical centers. It was an unforgettable and enriching experience for the young journalist.

Joint Communique Issued on Tripartite Talks

FL2203164989 Havana Radio Reloj Network in Spanish 1632 GMT 22 Mar 89

[Report by Fernando Delgado Ortega]

[Text] The final communique issued at the second joint Angola-Cuba-South Africa meeting indicates that the commission discussed substantive matters in respect to the fulfillment of the agreements on southwest Africa signed at the United Nations on 22 December 1988.

During the tripartite meeting which ended today in the Palace of Conventions, Angola, Cuba, and South Africa agreed to exchange prisoners before 1 April, which is the date that the UN plan goes into effect for Namibia's independence. That agreement indicates that one South African, three Cuban, and 12 Angolan prisoners will be exchanged.

It was also agreed at the second session of the joint Angola-Cuba-South Africa commission to return to Angola the pilot of the MiG plane that accidentally landed in Namibian territory.

Angola, Cuba, and South Africa felt that the second session of the commission meeting on the agreements on southwest Africa took place in a very positive atmosphere in Havana. To work for the strict fulfillment of the tripartite agreements signed at the United Nations on 22 December was another important decision reached at the joint commission meeting.

The delegations from the Governments of Angola, South Africa, the United States, and the USSR expressed their appreciation to the Cuban Government for the excellent facilities provided for the meeting.

As planned, the third session of the joint Angola-Cuba-South Africa commission, which ended its second meeting in Havana, will meet again in April in the South African capital.

Tripartite Meeting Ends

FL2203204589 Havana Radio Reloj Network in Spanish 1932 GMT 22 Mar 89

[Text] Commander in Chief Fidel Castro has reiterated to the delegations that attended the second session of the Angola-Cuba-South Africa joint commission our country's decision to contribute to the progress of the agreements on southwest Africa. This was reported today at Havana's Palace of Conventions by Alcibiades Hidalgo, spokesperson for the Cuban delegation. He added that the chief of the Cuban Revolution spoke last night at the Palace of the Revolution to the representatives of Angola, South Africa, the United States, and the USSR, saying that Cuba will make all the necessary efforts for the progress of the agreements and that he expects the same attitude from the other parties. Commander in Chief Fidel Castro also emphasized the significance of our country hosting the second session of the joint commission, just a few days before 1 April, which is the date that the UN plan goes into effect for the independence of Namibia.

As a result of the agreements signed at the tripartite joint commission that ended today in this capital, one of the prisoners that South Africa will return is Rodolfo Estevez Lantigua, who was captured in Angola on 23 February 1983. The other two Cuban internationalists to be exchanged with South Africa before 1 April are reservists Raul Esteban Martel and Ulises Emilian Gonzales. These two compatriots, who will return to the fatherland along with Rodolfo Estevez, were captured during last year's battle in Cuito Cuanavale. Alcibiades Hidalgo said that despite actions taken, no contact has been possible with the three Cuban prisoners in South Africa.

In his statements to the press a few moments after the conclusion of the second session of the joint commission, Hidalgo reported that 3,230 internationalist combatants have already returned to the fatherland from Angola. Our country's goal was to return 3,000 soldiers before 1 April, and we met that figure before schedule, Alcibiades Hidalgo added. The Cuban delegation's spokesperson emphasized the good progress of this negotiating process that began in May and continued up to the Havana talks. The constructive spirit made possible the contributions observed in the application of the tripartite agreements that were signed at the United Nations on 22 December 1988, Alcibiades Hidalgo added.

Hidalgo also emphasized the positive spirit that characterized the 3 days of analysis. That constructive contribution by the delegations allowed concrete agreements to be reached on such important subjects such as the respect of Angola's border, the decision to hold the next meeting in Cape Town, South Africa, and the exchange of prisoners, Alcibiades Hidalgo said. Regarding the latter subject, the Cuban spokesperson said that, in addition to the Cuban prisoners in South Africa that will be exchanged, there is also another group that is in the hands of the UNITA [National Union for the Total Independence of Angola] bands. He added that we do not have contact with those comrade prisoners but that Cuba expects that the international agreements are adhered to in this matter.

Neil Van Heerden, director general of the South African Foreign Ministry and head of the South African delegation to the second session of the tripartite commission that ended today in Havana, said that his country is committed to the decisions made at this meeting. The head of the South African delegation termed as very good the treatment received by the soldier from his country who is in Cuba as a prisoner.

Questioned about the possibility of interceding between the Angolan UNITA bands for the Cuban prisoners, Neil Van Heerden said that South Africa is ready to contribute to the acceleration of their release.

The second session of the Angola-Cuba-South Africa joint commission ended today in our capital with the adoption of important decisions that will permit the progress of the tripartite agreements on southwest Africa that were signed on 22 December 1988 at the United Nations.

USSR's Gorbachev To Visit Havana 2-5 April

FL2303112189 Havana Tele-Rebelde Network in Spanish 1100 GMT 23 Mar 89

[Text] Mikhail Sergeyevich Gorbachev, secretary general of the Central Committee of the CPSU and president of the USSR Supreme Soviet Presidium, will visit Cuba from 2 to 5 April. This historic visit is in response to an invitation extended by Commander in Chief Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and Ministers.

As is known, the visit of the highest leader of the Soviet Union was initially planned for December but was postponed because of the regrettable events that occurred in Armenia due to a devastating earthquake. Under those dramatic circumstances, the brotherhood and solidarity between Cuba and the USSR once again became obvious.

The population of the capital, representing the entire country, will gather to give the CPSU secretary general a multitudinous welcome as an expression of the solidarity and multilateral Cuban-Soviet relations and the unbreakable friendship between our peoples.

'Geneva 89' Program on UNHRC Meeting

FL2103120089 Havana Television Cubana Network in Spanish 0200 GMT 16 Mar 89

[Program: "Geneva 89—Study of a Victory," hosted by Pedro Martinez Pirez in Geneva on 10 March; all speakers identified by caption—recorded. An identical recorded version of this program was carried on Havana Cubavision Television in Spanish at 0220 GMT on 22 March, providing fills]

[Excerpts] [Pirez] [Camera gives a closeup shot of Pirez sitting in the studio] For the third consecutive time the United States attempted to seat Cuba on the witness stand at the UN Human Rights Commission [UNHRC] meeting in Geneva. As television viewers know, it was an absolute failure for the third time in a row. The informative services of Cuban television, which covered the final stage of that important UN meeting, today present a special program as an assessment of what occurred at that 45th UNHRC meeting. We will present interviews with the principal protagonists at that meeting, particularly with the Cuban delegation that was headed by Vice Foreign Minister Raul Roa Kouri.

The first report we bring you was filmed directly in Geneva, room 23. Besides Roa Kouri, Ambassador Carlos Lechuga, our permanent representative in Geneva, and Prof Miguel Alfonso, one of the members of the

Cuban delegation, are also participating in the discussion and.... [camera cuts to room 23 and shows Pirez, Roa Kouri, Lechuga, and Alfonso sitting in chairs facing the camera]

[Pirez] We will try to give you an idea in as brief a time as possible on what happened at this 45th UNHRC, on Cuba's victory, and the embarrassing defeat of the United States. That is why I think Lechuga should start—not just because he is a veteran in this area—by telling us what the fundamental aspects were and, most importantly, what was proven at the 45th UNHRC meeting, without yet broaching on the topic of Cuba. Go ahead, Lechuga.

[Lechuga, Cuban ambassador-permanent delegate to the UN Mission in Geneva] I think that several matters were treated as additional topics to the agenda of the UNHRC, such as the topic of the occupied Arab territories, Israeli human rights violations, and the matter of South Africa and apartheid. There were also topics of an economic nature: the right to development, the problem of the foreign debt as the main obstacle to the current development of Latin America, and other topics that are discussed by the UNHRC year after year. The commission specifically discussed Chile and El Salvador. The topic of Chile was specially discussed as topic No 5. It is not included with other topics. There are other topics that the UNHRC also discussed confidentially, such as violations in other countries. The list of topics that the commission discusses is very extensive and this is not counting this year's topic of Cuba.

[Pirez] I think that now, with these initial remarks, we can deviate from protocol a little and proceed with a conversation. You can remark on any point. We will not be officially recognizing every member of the panel. I don't know if Roa Kouri, for example, would like to add something to this specific point.

[Roa Kouri, vice foreign minister] I would like to add that one of the important topics which the commission always discusses and which is also one of the inalienable human rights is the right to free determination. This topic was discussed this year just as it has been discussed in previous years. However, the following must be said:

In the opinion of our delegation, the fundamental work of this commission refers precisely to those areas where flagrant and massive violations of human rights occur. It is true that this year, as in previous years, the U.S. delegation wanted to turn its political vendetta against Cuba into the center of the commission's work. In reality, they were not able to do so because the topics, which Lechuga mentioned, were reviewed very carefully this year and very important resolutions were adopted in relation to human rights violations in South Africa, in the Israeli-occupied Arab and Palestinian territories, and in the specific cases of Chile, El Salvador, and other cases which were carefully examined during public procedures—or during the special procedure which was treated confidentially; it was not public. However, there is no doubt that these were the topics that the commission primarily discussed. In that sense, the commission undertook its work seriously and responsibly.

Now, there is the case—the alleged case—of Cuba, which has always created great expectations among the commission because it has to do with nothing less than the fight between David and Goliath. It is the same thing we have lived through these past 30 years. It is repeated in the UNHRC and it has been repeated within the past 3 years. It involves the same people from an administration that has ended, President Reagan's administration, which has gone into history's garbage can [el basurero de la historia].

During this final act, two of the people from that administration, General Vernon Walters, a sinister person.... [changes thought] I don't know if he is truly sinister. The other day, when he arrived here with his imposing figure and his shrill voice and he began his curses against Cuba, I was not sure if he was talking about an ogre from Grimm's Fairy Tales or an ogre from the muppet show. You are certainly familiar with the muppets. That gentleman, along with the policeman Armando Valladares, both went with Reagan into history's garbage can.

[Pirez] I think that is possibly one of the results of the 45th session. As a matter of fact, in the newspapers they say that the new U.S. Administration has perhaps received a favor as part of an inheritance of the Reagan administration in the sense that, with the setback of Valladares and Walters, he could adopt or adjust policies toward Cuba. [sentence as heard]

Lechuga is anxious to say something and Miguelito hasn't said anything yet.

[Lechuga] All I wanted to say was this. The episode now, the one from last year and the year before last, as far as the Cuba-United States confrontation regarding human rights, is not new. Of course, that frayed and dishonorable banner was buried this year with the United States' defeat in this confrontation with Cuban diplomacy and the Cuban Revolution.

This really began when the Revolution triumphed in 1959. In August of 1959, 8 months after the Revolution had triumphed, at the 5th advisory meeting of Latin American foreign ministers, where Raul Roa's father played a brilliant role, the Inter-American Human Rights Commission had already been created to be used against Cuba. This is to say, this began with the first U.S. Administration after the Cuban Revolution, which was Eisenhower, and ended with the ninth U.S. Administration, which I faced this year during this confrontation at the Human Rights Commission.

[Pirez] I imagine that Miguel Alfonso has some stories to tell about this Cuba-U.S. disagreement.

[Alfonso] Before going into the basics of yesterday's shameful defeat suffered by the United States, I would like to go a little further into what was discussed by Comrades Lechuga and Roa with respect to the general theme of the matter and the decision of the commission. I think it is important that—relating to when Roa was talking about self-determination—that an important resolution was taken on in the matter of the Western Sahara.

That is an element which had great repercussions in the commission and polarized the progressive and regressive forces. I also think it has been an important part of these debates. We also see that the commission is passing more resolutions than it had in previous years. These resolutions have to do with problems of the world's indigenous populations. This is a matter that is receiving more and more attention by not only the commission but the subsidiary organs such as the Sub-Commission for Discriminatory Prevention. In the coming years we can expect an important impact on the works by the United Nations in the field of human rights.

As for yesterday's events, the final confrontation on this matter by the commission—and I am using the term final on purpose—I think, as do my comrades, this is a burial which is not luxurious but one of the type it deserves. It is very difficult for any attempt against us in the future—and perhaps this is a risky prediction but this is the way I see it—it is very difficult that after yesterday's disaster, which could be considered a perfect failure without precedent, any attempt to renew this artificial problem with the commission is condemned to the most absolute failure. Why? Because there is already a sense of repudiation. When I say this I am not just talking about Cuba's friends or the countries that can understand, the ones with a clear perception of the human rights situation in our country, but the commission in general, as a body, rejects this manipulation and this waste of time and resources represented by this matter. I dare say that I truly doubt that anyone in the future will raise this question again. I know it's a risky prediction, and we cannot expect everything to go this way, but if they do we can expect the rejection to be as violent and vigorous as it was last night.

[Pirez] A member of this delegation, who is not present because of joint problems, (Perez Noboa), was saying yesterday that this had been a battle of shame versus money. I think this historic phrase by Eduardo Chibas, who was a true seed of the generation of the century, is very sensible and exact.

Miguel Alfonso mentioned something that leads us to the votes. This program will be broadcast in Cuba next week. You speak of yesterday so it is important for us to say that today is 10 March. It's not that we are happy; if we were it would only be because 1 year ago, in this same place, the United States suffered its second defeat to Latin America.

[Alfonso] It seems that Valladares, who is a policeman of the Batista regime, suffers a new setback every March.

[Pirez] Well, there are no more dates left in March, because in 1987 I believe it was on 7 March. The calendar is getting filled up with U.S. defeats. However, Morocco, it seems, committed a great blunder. They were the only country to vote against us.

[Roa Kouri] That was ridiculous. It wasn't a blunder, it was ridiculous. They were left hanging. The Moroccan ambassador adhered to the U.S. resolution because Cuba had proposed the resolution on Western Sahara. As we all know, Morocco broke diplomatic relations with Cuba because Cuba recognizes the Saharan Democratic Arab Republic; and now, as a small vengeance of a small diplomat, he sided with the anti-Cuban Yankee proposal. However, his associates, the Americans, did not have the courtesy to tell him that they were going to vote in favor of the Latin American resolution and so he ended up being the only vote against; the only vote against the Latin American resolution was from the ridiculous ambassador from the Kingdom of Morocco.

[Lechuga] There is something else that makes that situation even more ridiculous. Morocco didn't even participate in the negotiations with the Cuban delegation to reach a consensus, and it was one of the cosponsors of the resolution.

[Pirez] In addition, the Saharan Democratic Arab Republic is recognized by 72 countries and it has just established relations with Spain.

[Roa Kouri] There is an important aspect of yesterday's voting. I don't know if Cuban television viewers and, above all, Cuban radio listeners were able to follow this. Reporting on this was very quick. The Cuban foreign minister was informed at the same time the people heard the reports because the news was simultaneously sent to Havana via telephone.

[Pirez] Let's give the proper credit. The news was reported by Orlando Contreras and carried by Radio Rebelde. [laughter]

[Roa Kouri] Very well, it was reported by Orlando Contreras. The following must be said:

As is known, there was a draft resolution from four Latin American countries. It was numbered L-90 and the U.S. draft resolution, which was cosponsored by European countries, Canada, and Morocco, was numbered L-89, revision No 1.

They set a trap. Everyone knows that a few days ago a gentlemen's agreement was reached, as occurs in the United Nations, in which no delegation—in this case neither Cuba, the United States, nor any friends of either country—would unilaterally present a draft resolution to the secretariat while talks were taking place between

representatives of the EEC and the Latin America group. These conversations were held at the request of the EEC with Cuba's approval. We had all agreed that this pact, this gentlemen's agreement, would be respected. The agreement was this: No one would unilaterally present a document to the secretariat while the talks were taking place.

The talks were interrupted at 1630 Geneva time. As of 1630, any delegation was free to present a document to the secretariat because no consensus resolution had been reached between the two negotiating parties, the EEC and the Latin American countries. At 1635, when the Cuban delegation went to present a document that was signed by Panama and would later be cosponsored by Mexico, Peru, and Colombia, the secretary of the commission informed us that a document had already been presented by the United States. He was asked what time it was presented. The secretary first said that it was presented at 1510. When Spanish Ambassador Mercedes Rico—who was representing the EEC, which is chaired by Spain at this time—went to verify the exact hour the resolution was presented, she was told it was presented at a different time, at 1530. However, whether it was introduced at 1510 or at 1530, it was presented very far in advance of the start of the last round of talks between the EEC and Latin American countries.

Those talks began at 1550 and ended at 1630. We went to present our resolution at 1635 and a Yankee resolution had been there for at least an hour. They had broken their word an hour earlier. This was a gigantic setback to the community. Many members were indignant over what was obviously a lack of respect for the community and a lack of respect for the gentlemen's agreement. This momentarily forced the United Kingdom and the Netherlands to withdraw their sponsorship from the U.S. draft. When it later was presented as revision No 1, they became cosponsors of the resolution again. In this way, draft resolution L-89, revision No 1, had precedence. It had to be voted upon first.

The Latin Americans, through the Panamanian representative, requested that the Latin American draft resolution be given priority. They said that the Yankee resolution had an illegal precedence since it was presented in violation of an agreement that was understood by all.

Then, however, the representative of the United Kingdom also asked that priority be given to the Latin American draft. Everyone thought, or at least some naive people thought, that they were doing this as a gentleman's gesture because they looked so bad from their prior experience that they now wanted to change this by giving priority to the Latin American draft. It had nothing to do with a gentleman's gesture. Giving priority to the Latin American draft was simply a ruse, a tactical trick. You can even call it a technical trick.

They then presented an amendment with which they wanted to attain, through a vote, what they were not able to attain through negotiations. In reality then, that amendment sought to frame all this in the process of continuity in the commission. This is something that Cuba, as we said, has been rejecting since the beginning. We said we are against continuing the process against Cuba simply because there are no human rights violations in Cuba, just as that report has shown. We refused to let Cuba be treated in a particular or singular manner because that would imply accepting a discriminatory treatment toward Cuba.

We are willing to fulfill our obligations, as member states of the United Nations, according to the international documents that Cuba has signed, according to our adhering to man's universal rights, etc. However, since all the states do not adhere to this—for example, Chile is a country in which human rights are violated, like in El Salvador or Paraguay—it is a very different matter and that is why we said we would not accept that.

What did they do? They presented, as an amendment, what they could not achieve through negotiations, because the Latin Americans were always backing Cuba's position. Then they presented the amendment and that was the first setback. Of course, this amendment was.... [changes thought] There was a tie, there was a tie [repeats himself] I am sure you reported on this. The vote was 17 against 17 and the rest abstained.

[Lechuga] There were eight who abstained and one nonparticipant.

[Roa Kouri] Exactly. Well, since there was a tie, the amendment was not approved. The only thing left then was the Latin American resolution. Of course, when they asked for priority for the Latin American project, this is what they wanted: If the resolution won with the amendment, then they could or could not withdraw the Yankee proposal. If they lost with the proposal, then they would insist on the Yankee resolution. That was the game they had come up with, but all of this fell apart on them because first, we defeated the amendment and second, the Latin American resolution won with a gigantic vote. There are 43 members; of these, 32 voted in favor. This Moroccan, who was left hanging, [chuckles] voted against and, finally, 10 abstained.

Once the Latin American resolution was accepted, we exhorted the UK representative, who had immediately asked for the floor to submit their resolution. We exhorted them in view of the enormous victory represented by the victory of the Latin American resolution, and we exhorted them in the name of what they say they defend: cooperation, consensus, the non-imposition, and not dividing the commission, and we advised them to withdraw that resolution. They did not want to. In a rather arrogant way they said there was no reason to not submit it for voting. Then Comrade Miguel presented a

procedural motion, based on Article 65, which asked that that resolution not be accepted; this is to say that it not be considered and that no action be taken on it.

[Pirez] Roa, that, I think, is where.... [changes thought] Of course, the first vote, I think, was very important. That tie was a defeat for the Americans and the British and threw them off center because they thought the amendment would be approved and, once approved, naturally, they would have a new document on which they could vote. Now, this motion proposed by Miguel Alfonso was a vote which I found very interesting, especially because of the behavior of many of the European countries. This is where, many of us reporters have been noting, the ill feelings are somewhat settled, not only the possible contradictions between the United States and Europe, but also the ill feelings due to lack of loyalty. There were several times during this whole process in which, on a Friday, the impostor, Armando Valladares, made some declarations.

It would be good to analyze this European behavior a little.

[Alfonso] Look, the problem was that that text, which the British wanted to vote on and that we had asked not to be voted on, was a text that had proved to be impossible to achieve a consensus. The Europeans knew this and some of them wanted to use this to prove something. Once the Latin American text was accepted it would have been contradictory because, as the head of our delegation explained, by opposing this vote there were patent contradictions between what was being said in the approved text and the content of that report. The commission was going to find itself with two texts on the same matter, both of which were contradictory.

This was, especially, a text which could not achieve any type of agreement. Some Europeans decided to abstain from voting in that process, against their traditional custom of not backing any type of motion. I think they did this to show their dissatisfaction with the whole unorthodox development of this matter. They also did this to show that there was logic behind what we had said, which had been backed by the Panamanians. The Panamanian delegation, after Cuba had said it was impossible to rationally vote on this, supported with great emphasis that resolution with a very solid argument. Well, then that vote was determined by a number of factors: first by the commission's rejection to follow a contradictory course in its own actions; second, a rejection by a good number of delegations, of which some had even voted in favor of the British amendment. Many of those delegations abstained during that vote and others changed theirs.

[Pirez] I would like to know what Lechuga thinks about this. Why did they vote three times? There were three U.S. defeats, but this had been a Cuban proposal. This motion was not like that of 1987, a motion presented by another country. It was presented directly by Cuba, and it received a vote of 17 to 9.

[Alfonso] Excuse me Martinez Pirez, all of these votes came about after the Cuban delegation—before the election process began—explained its vote on that entire process. It is a declaration that was written with very concrete terms, in very direct and unequivocal terms which made a great impression in that room. The only thing that was visible there was a very upright position, a position that showed both flexibility and a great firmness. We called things the way they were. Many people said that this could affect the way people voted and, sure enough, the three times we voted were after that declaration. This is important because it shows how the commission reacted when faced with some very concrete words.

[Pirez] We reporters could say that the Cuban delegation worked with coherence and that on the night of 9 March we saw a show, a battle that took place on different battlefields. It took place on the moral, technical, and political battlefields. I think that there were several important factors in this. First, which of course Roa Kouri will not mention, is Cuba's declaration to state its position on the Latin American resolution. It stated why it was voting in favor of the Latin American resolution and against the British one.

[Roa Kouri] Yes. I think that Miguel already said it. We explained our position before voting to make clear the position on the Latin American resolution and, at the same time, on the amendment and, of course, this entire process. As Miguel said, some people thought that this could affect the way the delegations voted. I think it did. It made them vote in favor, because things can influence people in a negative or positive way. I think those were irrefutable arguments. They were convincing arguments.

As for the position by some of the Western countries to abstain in the motion, like Miguel said, they almost never abstain. They vote against the motion because they consider abstentions antidemocratic. However, this time they abstained. This is has a political character not a technical one. It has a political character that must be stressed and that is how we have classified it.

[Lechuga] I think that we have to stress, and you did Martinez Pirez, the Cuban delegation's performance. The main confrontation in this year's commission was Cuba versus the United States, and Cuba won. However, the Cuban delegation acted as a responsible member of the commission at all times. It behaved in a noted manner. It did not limit itself to Cuba's problems. On the contrary, it came out in defense of many countries that were being questioned by the commission; it gave its opinion on various matters; it contributed ideas to various commission matters, and I think that this is also a factor that contributed to the Cuban delegation's

prestige. The delegation was not only concerned with Cuba's problems, it was concerned and in solidarity with other countries. I think that this is very important.

[Pirez] Those of us who were following the entire affair noticed that the Cuban delegation never made a concession of principles. It was face to face with many cases, such as the case of the Moroccan representative. [passage omitted]

[Pirez] Our time is running out. I believe we have enough time left for a final word. Perhaps it may be a little exaggerated to consider the 9 March victory here in Geneva as a firm Cuban victory and, as we have said, an absolute and shameful failure by the United States. Is this exaggerated, too triumphant an attitude, or realistic?

[Roa Kouri] I think it is very realistic. There has been a complete victory on the behalf of Cuban diplomacy and, of course, not only the diplomacy but reason, moral, and the policies of the Cuban Revolution and a shameful defeat for the obsolete policies of Mr Reagan which should now go to the garbage can.

[Pirez] I think that all the blackmail and pressure that went on here at the 45th session proved that there is still decorum in the world and that that decorum demonstrated itself while backing international rights and thus the Cuban Revolution.

Our thanks to Roa, Lechuga, and Miguel Alfonso for being here with us on this special program filmed a few meters away from Room 17, which was the scene of the third battle between the United States and Cuba.

Vice President Meets With Peru's Garcia

FL2203232789 Havana Radio Rebelde Network in Spanish 2307 GMT 22 Mar 89

[Text] Cuban Vice President Carlos Rafael Rodriguez met today with the Peruvian head of state, Alan Garcia, with whom he spoke about the Central American foreign debt and nonaligned meeting, among other subjects.

In statements to the press, after the talks held at the Palace of Government, Carlos Rafael Rodriguez said they had spoken about Latin America, which is a permanent subject for Cuba and Peru. Rodriguez added that they also spoke about the need for Latin American unity and its possibilities, and about the foreign debt, which is a common subject to the two countries. The Cuban vice president also said that, during the interview, they examined the problems that Peru faced with the Inter-American Development Bank, IDB—an organization which has practically ended its disbursement of credit to that nation. We have reached the conclusion that the foreign debt issue is a problem of time and anguish for Latin America, he added.

Asked about Cuba's position on the debt, he reiterated that Cuba maintains that it is unpayable.

Chinese Foreign Minister To Visit in June

FL2203145989 Havana Radio Reloj Network in Spanish 1403 GMT 22 Mar 89

[Text] Chinese President Yang Shangkun will arrive in Mexico on 30 May. This will be the first leg of his Latin American tour which will also include Brazil, Uruguay, and Argentina. Diplomatic sources in Beijing noted that coinciding with the president's tour, Foreign Minister Qian Qichen will travel to Ecuador, Cuba, and the United States beginning on 1 June.

The general objectives of those visits are to continue strengthening the existing friendship and cooperation relations with Latin America, and especially, to promote to higher levels cooperation in the political and economic fields. Likewise, they are firm indications of the growing importance the PRC grants to the expansion and deepening of its links with Latin American nations with which it shares multiple similarities and problems.

Mexico Asks for Cuba To Return to OAS

FL2203144289 Havana Radio Progreso Network in Spanish 1100 GMT 22 Mar 89

[Text] Mexico has asked for Cuba to return to the OAS and for Canada to join the inter-American system. The petition was made by Mexican Foreign Secretary Fernando Solana as he addressed a meeting of the hemispheric organization's permanent council. Solana said the OAS can and should be the privileged place for regional dialogue. The Mexican foreign secretary also made a call for all countries, especially the United States, to fulfill their financial obligations and other commitments made with the organization.

Leader of Spanish Communist Party Arrives

FL2203125189 Havana Tele-Rebelde Network in Spanish 1100 GMT 22 Mar 89

[Text] Julio Anguita, secretary general of the Spanish Communist Party, has arrived in Cuba. He was met last night at the Jose Marti airport by Jaime Crombet, secretary of the Central Committee of the Communist Party of Cuba. The Spanish communist leader's visit is in response to an invitation extended by our commander in chief, Fidel Castro. Anguita was interviewed at the airport.

[Begin recording] [Anguita, in progress] ...our European discussion which specifies our European alternative in reference to a bloc that would create a super-nationality that will represent the interests of the classes and, above all, it will include a foreign policy toward Africa and Latin America. We do not consider Europe to be separated from that grouping, from the debt problem, or from the Third World problem. It is also not separated from the problem of peace. We will explain this and what our option is in reference to that policy. We have also come to hear about Central American problems. Our

eyes are open to everything and we want to give our opinion on everything, especially on establishing policies as a humble alternative—which is what we are—but with all firmness.

[Unidentified reporter] Has the United Left in Spain become complicated?

[Anguita] Let's determine what the word left means. If you interpret the word left to mean the political forces that, with more or less urgency, (?plan) a tactic but are in favor of transformation, then I would have to say that the only left in Spain at this moment is represented by the United Left and by the communists and socialists of the [word indistinct].

If we interpret the word left the same way it has been interpreted at other times in history, then it is represented by more groups. However, if we retain the previous concept I just mentioned, there is no other left than what I just stated. [end recording]

OAU Notes Contribution to Regional Peace

FL2203222789 Havana Radio Reloj Network in Spanish 2102 GMT 22 Mar 89

[Text] The committee of the Organization of African Unity [OAU] began its sessions today in Harare with a salute to Angola and Cuba for contributing to regional peace with the military defeat against South Africa in Cuito Cuanavale.

During the opening ceremony of the first meeting of this ad hoc OAU committee, Kenneth Kaunda, president of the Frontline States, said that the defeat was what forced Pretoria to sit at the negotiating table. (?Ever since) the defeat of the myth of the South African military invincibility in Cuito Cuanavale, the situation in southern Africa has changed, and today there is hope for peace in Angola and independence in Namibia, Kaunda said.

The OAU committee meeting is being presided over by Moussa Traore, president of Mali and president of the OAU, and it is being attended by the heads of state of Angola, Botswana, Tanzania, Zambia, and Zimbabwe.

Commentary on ARENA, Rebel Negotiations

PA2203145789 Havana International Service in Spanish 0000 GMT 21 Mar 89

["Our America" commentary read by Manolo Ortega]

[Text] General elections were held in El Salvador amid a tense atmosphere, intense fighting, heavy absenteeism, and indiscriminate military repression. The vote count so far shows that the winner is Alfredo Cristiani of the right-wing Nationalist Republican Alliance [ARENA]. There is no indication that there will be a runoff election, because ARENA obtained an absolute majority in the country's capital and 8 of the 14 departments.

As expected, merciless violence marked the elections. While three newsmen were being killed by the Army, the Salvadoran Air Force intensely bombed the capital's San Ramon neighborhood. Almost simultaneously, soldiers were carrying out 12 offensive operations in several departments, as well as an attack on purported guerrilla positions on the slopes of San Salvador Volcano, north of the capital.

If, as according to the reports, ARENA is in fact the winner of the Salvadoran elections, from now on an ultrarightist organization, accused of creating the infamous death squads that are still sowing terror in most of the country's cities, will rule El Salvador.

Many analysts believe this is one of the main reasons why ARENA chose Alfredo Cristiani, a 42-year-old coffee grower who has headed the organization since 1985, as its presidential candidate. Central American political circles say Cristiani belongs to ARENA's moderate wing, but his administration could be influenced by Major Roberto d'Aubuisson and other reactionary elements.

Although Alfredo Cristiani said in his first public statements that he is willing to hold talks with the insurgents, one wonders how far ARENA can allow such talks to go. This is because the rebels are demanding a radical change in El Salvador's social and political conditions.

Despite the elections, this Central American nation, which has been battered by nearly 9 years of war, is still facing the historic choice of negotiating or suffering an intensified war. Meanwhile, the Farabundo Marti National Liberation Front affirms that it will repeat its peace proposal to the winning party. The new Salvadoran leaders thus face the challenge of negotiating with the rebels.

Science Academy Creates Advisory Council

FL2203183389 Havana Tele-Rebelde Network in Spanish 1700 GMT 22 Mar 89

[Text] The Higher Advisory Council [Consejo Asesor Superior] of the Cuban Academy of Sciences has been created during a meeting in which Jose Ramon Fernandez and Rosa Elena Simeon, alternate members of the Communist Party of Cuba's Politburo, were in attendance.

The event took place at the Cuban Academy of Sciences. Representatives from the state and the majority of the country's research centers were present. The advisory council groups 120 prominent individuals. Its objective is to advise the various lines of research that should be conducted in the next few years.

The council's long-term and 5-year period working plans were approved during the meeting. They are based on the country's scientific development, diagnosis and prognosis of science in the national economy, and other important subjects.

The president of the Cuban Academy of Sciences made the closing remarks.

[Begin Simeon recording] We believe that we should improve, even more during the 1991-1995 5-year period, the organizational steps we have taken during the course of these years. Undoubtedly, with the actions of all of you, with the intelligence and work of each one of you, we will be able to achieve a much better scientific research program than the one we have had this year. In reality, it is not a matter of creating the council, but we wish and are sure—because of the quality of the comrades who have been proposed and form part of the council—we are going to achieve it. We can improve this program with everybody's work so that it can really respond to the goals to which scientists should respond in the coming years. [applause] [end of recording]

Link Between Productivity, Salaries Reported

FL2203181189 Havana Tele-Rebelde Network in Spanish 1700 GMT 22 Mar 89

[Text] The struggle to increase productivity cannot be linked exclusively to salaries. This is stated in the 1988 assessment report on organization of work and salaries being discussed at a meeting of the national Central Organization of Cuban Trade Unions [CTC]. CTC provincial leaders and their respective unions are analyzing the document which mentions contingents as an example of a superior form of work organization. There are already 44 collectives of the kind in the country. Their fundamental trait is their dedication to work.

Regarding quotas, it was (?explained) that over 500,000 quotas have been reduced and that this will facilitate better organization of work, reduction of payrolls, and greater efficiency and control of payment systems.

Regarding protection and health, there were 26 less fatal accidents in 1988 than in the previous year. However, an increase of the average lost days was observed.

Phone Services Interrupted in Havana Province

FL2203154989 Havana Radio Reloj Network in Spanish 1507 GMT 22 Mar 89

[Text] Specialized personnel of the communications enterprise in Havana Province are working without a break to reestablish public service in several municipalities of the territory in the next few hours. A mid-size fire in the bushes around the ditch of the road that goes from San Antonio de los Banos to Guira de Melena burned the telephone cable network. Because of this, telephone communications were interrupted on a large-scale basis between the Municipalities of Bejucal, Quivican, Alquizar, and Guira de Melena, and the capital and the rest of the country since yesterday afternoon. Telephone workers from the Havana Province communications enterprise intend to reestablish service as soon as possible and put an end to the inconvenience the population is experiencing at this time.

Statistics Show 2-Percent Economic Growth

FL2203133189 Havana Radio Progreso Network in Spanish 1100 GMT 22 Mar 89

[Text] The State Committee for Statistics has announced that the Cuban economy grew a little over 2 percent in 1988. The report stated that the annual income also grew over 2 percent because of the efforts made by domestic economic activities.

The document states that the industrial sector, especially the sugar industry, had the largest participation in the economic growth. Construction activities, especially waterworks, industrial, tourist, health, and road projects were also mentioned in this regard. The report notes that nonsugarcane agriculture and maritime transportation also showed good results.

Dominican Republic

Undercover Agents Conduct Drug Raid

FL2203132489 Bonaire Trans World Radio in English 1130 GMT 22 Mar 89

[Text] Undercover agents in Santo Domingo have conducted one of the biggest drug raids in the recent history of the Dominican Republic. More than a dozen arrests were made and over 400 kg of cocaine seized. The undercover operation began in Colombia and Venezuela several months ago and was followed up when the shipment reached the Dominican Republic.

Haiti

Interview With MIDH's Bazin on Constitution

FL2203170089 Port-au-Prince Radio Metropole in French 1700 GMT 21 Mar 89

[Interview granted by Marc Bazin to Radio Metropole reporter Nancy Roc; date and place not given—live or recorded]

[Excerpts] [Roc] MIDH [Movement for the Establishment of Democracy in Haiti] leader Marc Bazin thinks last week was rich in events. [passage omitted]

Here is the MIDH leader's position on the reinstating of the Constitution of 1987.

[Bazin] The reinstating of the Constitution of 1987 should logically give a new thrust to the process of returning directly to [au processus de devolution directe et sans ambages] the departments and communes the power to make decisions about economic investments and the management of their affairs. The reinstatement should also increasingly consecrate, in a concrete manner, the independence of the courts, freedom of enterprise, the protection of the environment, and the security of the citizens.

MIDH thus feels it is advisable to do our utmost to fully apply everything that has not been put on ice. Otherwise, the reinstating of the Constitution would quickly turn into a hollow shell. It would be (?striking a blow) for nothing, and the country would have gained nothing from it.

[Roc] Regarding foreign aid to Haiti—mentioned, among other things, by President Avril Friday night over RTNH [television], Mr Bazin told us his party had noted General Avril's disappointment in connection with the statements made before the U.S. foreign affairs subcommittee, as well as the government's call to the population of Haiti to tighten their belts even further, to the extent that this might still be possible. The MIDH leader feels elections are necessary in order to solve the big Haitian problems, such as illiteracy or malnutrition.

Mr Bazin also proposed that the concerned parties meet, without any more waiting, at the appropriate level, to try to find a solution that will allow the Haitian people to, and I quote, "stop going around in a circle around the business of which should come first—aid or elections." However, Mr Bazin thinks that for such a meeting to be successful, it should be based on the following three principles:

[Bazin] The first is that negotiations should be conducted between equals, among equally sovereign partners, in the mutual and well-understood interest of the parties involved.

The second is that the electoral process is the very essence of democracy. Democracy is a prerequisite for economic development. Economic development is a condition necessary for social justice.

Third, in synchronizing the resumption of aid and the evolution of the electoral process, the elements to take into account will have to do with the need to create jobs rapidly, the need for total support both financially and technically to the election council, and, lastly, the urgent need for a perceptible improvement in the lot and living conditions of the soldiers, noncommissioned officers, and officers of the Haitian Army, who are indispensable partners in the process of democratization—a process which must more and more clearly be seen as keeping with their very natural interests.

[Roc] Precisely in your statement a while ago Mr Bazin, you spoke—and I quote—of synchronizing the resumption of aid and the electoral process in Haiti. Precisely, don't General Avril's statements of Friday evening, about having elections after having solved the people's hunger, constititute a risk for Haiti, regarding the resumption of economic aid—particularly from the United States, since we know that last week the U.S. Government again said that aid to Haiti would be resumed only when a civilian government is elected?

[Bazin] You know, I think we should absolutely avoid mixing up the elections and the socioeconomic conditions of the Haitian people. Elections are a means of restoring confidence. Elections, which are in fact provided for in the Constitution, are fundamental. And by reinstating the Constitution, the principle of elections is thereby immediately reinstated.

Elections are thus a means to solve the problems caused by the crisis, and we do not see any contradiction whatsoever between the idea of elections and the idea of improving the sociopolitical situation. On the contrary, we believe that only an elected civilian government with national and international legitimacy will be able to not only inspire the Haitians' confidence but also attract the massive investments we need in order to create new hope, to give the Haitian people this new elan to which it aspires, and to lay the foundations for a society of justice and progress that is itself the prerequisite for an improvement in the social, nutritional, and economic conditions of Haiti. [passage omitted]

[Roc] On the other hand, Mr Bazin's response to the former legislators' decision to meet last Thursday in connection with the reinstatement of the Constitution was very clear.

[Bazin] On this particular point, I fully share the point of view expressed by General Avril in his recent statement over RTNH.

[Roc] Let's go back to that statement, Mr Bazin. Precisely, in his statement Friday evening, Gen Avril implied that presidential elections would be preceded by legislative elections—that is, that there would not be general elections but rather partial elections. As you know, partial elections do not exist in our Constitution. What is your opinion on this?

[Bazin] On that matter, as well as on everything else in connection with elections, my opinion is that all those things fall within the province of the election council.

University Designates Representative to CEP

FL2203203889 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 22 Mar 89

[Excerpts] [Passage omitted] Three organizations have already chosen representatives and submitted their names to the Justice Ministry to have them be members of the Provisional Election Council [CEP].

The council of the [National] University [of Haiti] has designated Dr Rony Durand, a teacher and the dean of the Faculty of Law and Economics [to be its representative].

The National Council of Cooperatives has designated Arcange D. Leon, a co-op group leader and the founder of several credit unions in northern Haiti who was magistrate of Cap-Haitien under the National Government Council.

The human rights organizations have elected teacher Jean Gerard Pierre [to represent them]. [passage omitted]

However, the union federations have not yet been able to reach an agreement on a representative. According to a member of one of the union federations, they are going to ask the Justice Ministry to extend the deadline for a few days because the union federations find the deadline—today, 22 March—to be too soon. [passage omitted]

Jamaica

Manley 'Assured' of Continued Economic Aid

FL2203193989 Bridgetown CANA in English 1823 GMT 22 Mar 89

[Text] New York, March 22, CANA—Both the International Monetary Fund and Jamaica see no need for another devaluation of Jamaica's currency and so the country is not going to have one, Prime Minister Michael Manley has said.

He said in New York that no change in the country's exchange rate was in the cards and he predicted strong economic growth during the next 5 years.

"The IMF experts working with our experts have concluded that there is no case for a devaluation in Jamaica at this time," said Manley during a breakfast meeting with media representatives in New York.

"We are glad about that. The reason for that is that our exports are competitive and that is a strong and healthy situation. Attempts in certain quarters to create a scare about devaluation have been defeated by the technical evidence." His reference to "scare" was directed at opposition leader and former prime minister, Edward Seaga, who predicted recently that a devaluation was just around the corner.

As for the overall performance of the economy, Manley said that although tourism was booming, the distributive sector was strong, savings were healthy and the country was poised to record real economic growth, there was a "weakness in the pattern" of expansion which the new government must tackle.

The weakness was in agriculture and manufacturing, both of which were now below the level of 1980 when the People's National Party lost the election to the Jamaica Labour Party, Manley said.

"Our challenge is to work with manufacturing and agriculture to make them take off and grow," he remarked.

A step that might be taken, he indicated, was tax reform to ease the burden on the manufacturer and the farmer. In addition, he suggested that the government would look at interest rates which tended "to work against the productive sector. We think there are ways you can manage tax reform and manage your monetary policies to be more helpful," he went on. "Now if that grows as we think we can get it to grow, and tourism continues to boom, I suspect that with all the debt problems and they are very heavy and real, the Jamaican economy is going to show very strong performance in the next 5 years."

The prime minister praised the Jamaica private sector which he said was responding well and had demonstrated a willingness to work alongside the new government for the further development of the country.

Turning to his meetings with U.S. President George Bush in Washington D.C. and with Canada's Prime Minister, Brian Mulroney in Ottawa, Manley said that he came away from the talks "assured" that there would be no cuts in economic aid to Jamaica.

"What we have come away assured (of) is this: Both in terms of Canada and the United States, Jamaica was a very favoured partner in terms of economic aid," stated Manley.

"I think we can now be confident that the levels of aid are going to be maintained. In other words, there is going to be no fall-off because of the change in government," he said.

Air Canada Jet Seized; Drugs Found on Board

FL2103131489 Bonaire Trans World Radio in English 1130 GMT 21 Mar 89

[Text] An Air Canada jet on a flight from Jamaica was seized by authorities at Toronto International Airport on Sunday. A quantity of drugs was found on board the plane, which was held until the airline posted a bond of $2.5 million.

The seizure was made just days after Jamaican Prime Minister Michael Manley had appealed to Jamaicans in Toronto for support in the battle against illegal drugs.

St Christopher and Nevis

Reportage on Election Day Voting, Results

Turnout 'Heavy'; Count Continues

FL2203131989 Bonaire Trans World Radio in English 1130 GMT 22 Mar 89

[Text] Votes are being counted in St Kitts-Nevis following elections yesterday. Turnout was heavy despite early rain. The ruling Peoples Action Movement currently holds six of eight St Kitts seats in parliament and its leader predicts victory again. Prime Minister Kennedy Simmonds is hoping for a third consecutive term.

Simmonds Sworn In After Win

FL2203183989 Bridgetown CANA in English 1714 GMT 22 Mar 89

[Text] Basseterre, St Kitts, March 22, CANA—St Kitts and Nevis Prime Minister Kennedy Simmonds, on Wednesday prepared to formally start another 5-year term of office after a general election that saw a slight reduction in his coalition's parliamentary majority, a personal defeat for his main political rival, and a smaller voter turnout.

Simmonds, a 53-year-old physician who has led the twin-island state since 1980, is being sworn in at 1400 hours (local time), senior government officials reported.

Simmond's People's Action Movement (PAM) and its coalition partner, the Nevis Reformation Party (NRP), captured 8 of the 11 parliamentary seats that were at stake in Tuesday's general elections, with two going to the St Kitts-Nevis Labour Party and the other to a new opposition grouping in Nevis, the Concerned Citizens Movement (CCM). The PAM emerged from the poll with the same number of seats it held after 1984, but the NRP lost one of its three Nevis seats.

Labour Party leader, Lee Moore, a former premier, was again defeated by the PAM's women's affairs minister, Constance Mitcham, raising questions here about his political future.

A national address carried on radio indicated his third straight electoral victory was a vote for continuity and stability.

"My colleagues and I are greatful for the opportunity to continue to serve," he said. "I do believe that at this time our country needs the continuity and the stability of continuing programmes of development."

Mitcham, the only fame among the 25 electoral candidates, saw her win as recognition of the progress women have made since 1980 under the coalition. "I think it is quite clear that my party is the only party on St Kitts right now that has taken a great interest in the women of this country," she said.

"From 1971, the People's Action Movement introduced the first women on the platform in the person of Mrs Mary Charles and since then the party has been in the forefront of women's rights in this country."

Nevis Premier Simeon Daniel easily retained his seat in an election that saw some close voting.

He promised Nevisians "a higher standard of living, full employment, good education, and further education facilities, good health programmes..."

In two areas where voting was close, Trade Minister Roy Jones edged out the Labour Party's St John Payne in the Belle Vue to Ottley's constituency by 837 votes to 804 and in Nevis the CCM's Vance Amory defeated the NRP's Uhral Swanston by 440 votes to 432 in the St George Gingerland constituency.

Tuesday's turnout represented 66.8 per cent of the electorate, below the 77.7 per cent turnout of 1984.

Ballots were cast by "13,682 voters of the 26,481 registered voters," Elections Supervisor Eugene Petty reported.

Says Country Needs 'Continuity'

FL2303121289 Bridgetown CANA in English 2206 GMT 22 Mar 89

[Excerpts] Basseterre, St Kitts, March 22, CANA—St Kitts and Nevis Prime Minister, Kennedy Simmonds, on Wednesday prepared to formally start another five-year term of office after a general election that saw a slight contraction of his coalition's parliamentary majority, a personal defeat for his main political rival, and a shrunken voter turnout.

Simmonds, a 53-year-old physician who has led the twin-island state since 1980, was sworn in, along with the rest of his nine-member cabinet, at government house. His People's Action Movement (PAM) and its coalition partner, the Nevis Reformation Party (NRP), captured eight of the 11 parliamentary seats that were at stake in Tuesday's general elections, with two going to the St Kitts-Nevis Labour Party and the other to a new opposition group in Nevis, the Concerned Citizens Movement (CCM).

The PAM emerged from the poll with the same number of seats it held after the 1984 election, but the NRP lost one of its three Nevis seats. [passage omitted]

In a national radio address, Simmonds indicated that his third straight electoral victory was a vote for continuity and stability. "My colleagues and I are grateful for the opportunity to continue to serve," he said. "I do believe that at this time our country needs the continuity and the stability of continuing programmes of development." [passage ommitted]

Following is the new cabinet:
Prime Minister Dr Kennedy Simmonds, minister of finance, home affairs and foreign affairs
Michael Powell, deputy prime minister and minister of tourism and labour
Tapley Seaton, attorney general
Sydney Morris, minister of education, youth, community affairs and communications, works and public utilities
Hugh Heyliger, minister of agriculture, lands housing and development
Roy Jones, minister of trade and industry
Constance Mitcham, minister of health and women's affairs
Joseph Parry, minister in the Office of the Prime Minister
Richard Caines, minister in the Ministry of Finance.

Diplomatic Relations Established With Denmark

FL2103134389 Bridgetown CANA in English 2059 GMT 20 Mar 89

[Text] Basseterre, St Kitts, March 20, CANA—The Governments of St Kitts-Nevis and Denmark have established formal diplomatic relations, it has been officially announced here.

A joint communique issued here said the step followed an expressed wish to strengthen the bonds of friendship between the peoples of the two countries.

Both governments have expressed confidence that the move will enhance relations between their countries and ensure closer and mutually beneficial ties between them.

Agreement With U.S. To Stop Illegals Denied

PA2303024089 Buenos Aires REUTER in Spanish 0100 GMT 23 Mar

[Text] Mexico City, 22 Mar (REUTER)—The Mexican Government today denied the existence of an agreement with the U.S. Government whereby the Mexican police will work jointly with U.S. officials to apprehend illegal immigrants.

According to a Mexican Foreign Secretariat statement, "no diplomatic agreement exists between Mexico and the United States stipulating cooperation between the Mexican police and the U.S. Immigration and Naturalization Service [INS] to prevent illegal immigrants from entering U.S. territory." The statement added that this applies to illegals from both Mexico and any other Latin American country.

The brief statement was apparently in response to recent Mexican and U.S. media reports that Mexican officials were cooperating with Washington's efforts to reduce the number of Central Americans illegally entering the United States. The official news agency NOTIMEX reported that U.S. immigration officials had organized a spy ring in Mexico to assist in intercepting Central Americans headed for the United States.

The Mexican Foreign Secretariat's statement says categorically that no changes have been made in Mexico's immigration policy. However, U.S. officials said that over the past few years there has been informal cooperation between INS representatives and the Mexican police to stem the flow of immigrants into the United States from third countries, primarily from Central America.

Thousands of Central American refugees, fleeing poverty and civil war, travel by land through Mexico each year with the intention of reaching the United States. U.S. officials said that there has been a noticeable increase in the number of Central Americans illegally entering the United States within recent months—especially in southern Texas—and that the INS announced last month that it had increased its resources to tackle the problem.

Solana Meets Bush, Baker in Washington

PA2203165789 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 21 Mar 89

[Text] The desire to strengthen the bonds of friendship between Mexico and the United States was reaffirmed by Mexican Foreign Secretary Fernando Solana and U.S. President George Bush in Washington yesterday. Bush promised during the meeting to give priority attention to relations with Mexico. Solana emphasized the need for working together to promote harmonious and mutually beneficial relations.

Solana also met with U.S. Secretary of State James Baker. Both Solana and Baker pointed out the importance both governments attach to strengthening relations, as was agreed at the meeting between Presidents Carlos Salinas de Gortari and Bush in Houston.

The foreign debt, immigration, the struggle against drugs, and the Central American situation were discussed during Solana's meetings.

Solana will participate in a ceremony in Washington today to commemorate the 183d anniversary of Benito Juarez' birth.

Finance, Foreign Secretaries Discuss Debt

PA2203201289 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 22 Mar 89

[Text] Finance and Public Credit Secretary Pedro Aspe Armella has announced that Mexico must find immediate solutions to reduce the servicing of the foreign debt, because our people cannot and should not have to wait any longer. Secretary Aspe Armella made the statement during his participation in the 13th annual International Development Bank meeting held in Amsterdam, the Netherlands.

The official said the burden of the debt and the transfer of resources abroad restrict the possibilities of investment and create unemployment in our country. We must now propose and agree on the mechanisms that will reduce the value of the debt to obtain new sources of financing and thus support the recovery of the economy.

The finance secretary rejected the idea that the so-called (?swaps) are a solution to the debt problem, because they generate inflationary pressure. Aspe Armella added that Latin America needs to strengthen a multilateral instrument of financing to promote its development with its own criteria.

Meanwhile, at the OAS, Mexican Foreign Secretary Fernando Solana Morales said the problems the Latin American countries have in complying with their debts and commitments cannot, should not, and will not extend indefinitely. The Mexican foreign secretary pointed out that the extent of the problem goes beyond all conventional [word indistinct]; therefore, it is necessary to use determination in coping with the debt crisis. We must admit that it will become more difficult all the time for countries living in peace and progress to coexist with other countries living in conflict and extreme poverty; that is, sharing development, democracy, and peace or sharing hunger, authoritarianism, and violence.

The Mexican foreign secretary warned that if we do not take action, the course of our convictions could affect all of us. During his speech, which was described by the other delegates as excellent, Solana Morales added that

the Latin American countries are confronting the worst crisis of their histories. This situation jeopordizes the consolidation of the democratic processes and the political and social stabilities of some nations of the region.

He stated that the international debt is only one of many aspects of the world economic crisis. If not handled with political responsibility and opportunities, the problem might lead to new social problems. Then the debt would not recognize borders, would increase pressures for emigration and immigration, and would affect the [word indistinct] balances and the precarious overall coexistence.

On the subject of Central America, Foreign Secretary Solana Morales said we will be getting new, great peace opportunitities.

GNP Increase of 1.1 Percent in 1988 Reported

PA2303035689 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 20 Mar 89

[Text] The Planning and Budget Secretariat has announced through the National Institute of Statistics, Geography, and Information [Instituto Nacional de Estadistica, Geografica, e Informatica] that Mexico's gross national product grew 1.1 percent in 1988 compared to 1987 figures.

Costa Rica

Presidency Minister on Negotiations With IMF

PA2003154489 San Jose LA REPUBLICA in Spanish 16 Mar 89 p 8-A

[Text] Government officials have been trying very hard since yesterday to find alternate formulas that will allow the country to sign a letter of intent with the International Monetary Fund [IMF].

This was stated by Presidency Minister Rodrigo Arias, who added that there has been much activity and several conversations among himself, President Oscar Arias, and Finance Minister Fernando Naranjo, although he said no special meetings had been held. Naranjo announced the disagreement with the IMF on 3 March, after he had returned from Washington. During his visit Naranjo met with IMF officials, who insisted on the need for Costa Rica to make a greater fiscal effort.

President Arias announced at the beginning of the year that new taxes would not be decreed and that basic product prices would not be increased. The IMF, however, suggested that fuel prices and Costa Rican Social Security fees should be increased before it would accept the agreement with Costa Rica.

Minister Arias stated that the government had rejected these proposals, and now "we will have to make adjustments to sign the letters of intent."

He added that active negotiations to reach an agreement with the IMF continue. The Costa Rican officials will insist in these negotiations that the agreement not include government measures that will hinder the country's social programs.

Costa Rica has made great efforts to lower its expenditures by reducing public spending by 8.5 billion colones; according to the finance minister, "a greater reduction would endanger the country's social security."

Coffee Rust Affects 25 Percent of Crop

PA2003200189 San Jose LA REPUBLICA in Spanish 9 Mar 89 p 8-A

[Summary] According to an investigation conducted by the Costa Rican Agriculture Ministry, 25 percent of the total area planted with coffee in the country is affected by coffee rust. That percentage means that a little over 22,000 hectares of land planted with coffee are affected by coffee rust.

El Salvador

President Duarte Departs for U.S. Checkup

PA2203170189 Paris AFP in Spanish 1635 GMT 22 Mar 89

[Excerpt] San Salvador, 22 Mar (AFP)—Official sources have announced that Jose Napoleon Duarte, the ailing president of El Salvador, left for the United States today for a series of examinations at Walter Reed Military Hospital in Washington. Duarte has been suffering a fever for several days.

Sources at El Salvador's International Airport confirmed to AFP that the president, who has terminal stomach and liver cancer, left the country at 0900 on a commercial flight accompanied by his wife, Ines, and his son, Jose Alejandro Duarte. [passage omitted]

CCE Declares Cristiani Official Winner

PA2203205489 Panama City ACAN in Spanish 2002 GMT 22 Mar 89

[Text] San Salvador, 22 Mar (ACAN-EFE)—The Central Electoral Council (CCE) today officially proclaimed Alfredo Cristiani, the right-wing Nationalist Republican Alliance (ARENA) presidential candidate, as the president-elect of El Salvador.

The CCE announced that the final vote count was over and reported that Cristiani obtained 53 percent of the vote, followed by Fidel Chavez Mena, the Christian Democratic Party [PDC] candidate, with 36 percent, and the National Conciliation Party [PCN] with 4 percent of the vote.

After 20 hours of work, CCE President Ricardo Perdomo declared that the vote counting was over.

Departmental Results Released

PA2203232989 Panama City ACAN in Spanish 2225 GMT 22 Mar 89

[Text] San Salvador, 22 Mar (ACAN-EFE)—Ricardo Perdomo, president of the CCE, today proclaimed Alfredo Cristiani of the rightist ARENA the new president-elect of El Salvador.

The CCE today finalized the official election vote count, according to which ARENA won the election with more than 53 percent of the votes.

The PDC came in second with 36 percent, and the PCN came in third with 4 percent.

The final vote count was disclosed at a brief ceremony during which the CCE board of directors acknowledged Cristiani's victory.

The CCE published the election returns from eight departments: San Salvador, Cabanas, La Paz, San Vicente (in the central region), Ahuachapan, Santa Ana (in the western region), Morazan, and San Miguel (in the eastern region).

In those eight departments, Cristiani won 321,239 votes, the PDC 215,7134, the leftist Democratic Convergence [CD] 26,817, and the PCN 24,191.

Minority parties such as the Authentic Christian Movement (MAC) won 5,381, the Popular Union (a coalition of right-wing minority parties) 3,277, Democratic Action 2,970, and the Renewal Action Party (PAR) 2,061 votes.

Still pending is the publication of election returns from the six remaining departments: Sonsonate, Cuscatlan, Usulutan, La Libertad, Chalatenango, and La Union.

CCE spokesmen report that the pending tallies will put the CD in fourth place and the PCN in third place and that these results may be released within the next few hours or be published tomorrow.

Cristiani Accepts Victory

PA2203224489 San Salvador Television Nacional in Spanish 1830 GMT 22 Mar 89

[Statement by President-elect Alfredo Cristiani at CCE ceremony in San Salvador on 22 March—recorded]

[Text] First of all, I want to thank the CCE for having expeditiously carried out this final vote, which allows the Salvadoran people to know the results of the elections and to enjoy their Holy Week vacation in peace.

I have said in the past that in my opinion the true election winners are the Salvadoran people. This is as it should be, because the people courageously came out to elect their leaders, and we were fortunate enough to receive their support. What the people want is a solution to their problems, and we are thus even more committed to rescuing the nation.

There are many dear friends and fellow party members in this room, and I must take advantage of this opportunity to say to all of you who for so many months awaited this moment [word indistinct] victory, and it is difficult to believe. All of you have contributed to making possible the people's election of this wonderful organization on 19 March. You all participated in this, and that is why I must thank you.

To the other people here who are members of other political parties, I would like to make clear once again that I intend to make mine a government for 5 million Salvadorans. [applause] At this very moment, we can remove the white and blue and red banners and raise only the blue and white banner of our dear fatherland for the benefit of all. [applause]

For those who are not here but who may be watching us on television, we once again acknowledge [words indistinct] Congress for the heroic 19 March elections. You have two people here [referring to Merino and himself] who, as of 1 June, will solely and exclusively serve you and will never take advantage of you. May God bless you all. [applause]

Vice President-Elect Speaks

PA2203230189 San Salvador Television Nacional in Spanish 1830 GMT 22 Mar 89

[Speech by Vice President-elect Francisco Merino at CCE ceremony in San Salvador on 22 March—recorded]

[Text] I wish to echo the words of the one we have been calling President Cristiani for a long time. We were not wrong. He is now the president of all Salvadorans. As I said when I was nominated as the vice presidential candidate, I will give him all my loyalty, dedication, and hard work, because I feel, as a Salvadoran, that our homeland must find a solution to all of its problems under a well-chosen leadership. President Cristiani more than amply meets the conditions that will guarantee us peaceful coexistence, progress, and freedom.

We have defined the culmination of this historical feat as a transition from words to deeds. We are aware that some circles may justifiably harbor some reasonable doubts about our administration. I say justifiably because we did not participate in politics in our homeland in the past. We stepped to the front because we could see that direct and active participation was required from all those who do not make politics a lifetime career. We have many ideas and a strong desire to work honestly and for the benefit of the people. [applause]

As ARENA members, we have always said that El Salvador comes first, second, and third, and now is the time to show it. When President Cristiani says that we can set aside our campaign gear, he says so because we must be the first [words indistinct] make it possible for those who supported other parties to have confidence in us and work with us since we are all united by the fact that we are Salvadorans. He said he believed that we could join in a common cause; that unity among Salvadorans was one of the objectives of our government; and that this national unity is becoming, as of this moment, a tangible reality.

To make this more viable, our attitude must be one of calling for national unity. We must act with moderation and magnanimously, because, as Freddy [Alfredo Cristiani] has said, this victory belongs not only to the two people who are accompanied here by their wives. This victory belongs to all the people, who are tired of suffering and being lied to. [applause]

This is why we have never promised anything we could not deliver. We have called for integration and for working side by side with the government so that we can

all see that together we can turn our dear El Salvador into the country we have so prudently desired. This El Salvador can now become a reality.

President Cristiani was saying that as of 1 June he and I will be legally installed in our government posts. I would like to add to that statement by saying that we have to start working now, so that by 1 June the legal system will be more solid.

We are going to let the people enjoy a well-deserved rest and spiritual withdrawal during Easter Week, but we will work continuously because on 1 June we are going to start working and governing El Salvador. However, we will not wait until then to sit down and think about what we are going to do. [applause]

To accomplish our task, we have the valuable support of all you who are here and of those who are not here now but who have followed the elections with great attention.

We also want to thank the two persons who are here with us: our wives. They have been bulwarks for us because they have given us strength to carry on even at the most difficult moments. [applause]

CD's Ungo Levels Charge of Election 'Fraud'

PA2203204089 Panama City ACAN in Spanish 1937 GMT 22 Mar 89

[Text] San Salvador, 22 Mar (ACAN-EFE)—The CD, which includes three Salvadoran leftist parties, announced today it was withdrawing from the final vote count of Sunday's presidential elections and charged the CCE with carrying out "fraudulent maneuvers."

Social Democrat Guillermo Ungo, the leftist coalition's presidential candidate, pointed out that the "fraud" prevented the CD delegates from being accredited before the CCE's vote count, and they were denied from seeing the CCE's preliminary computations.

Ungo stated that the "votes for the CD had been deliberately annulled and lowered" so the CD would finish in fourth place in the election results.

According to Ungo, the CCE and the rightist parties "have padded the results" in favor of the PCN so it would rank third.

ARENA candidate Alfredo Cristiani, who is practically the president-elect of El Salvador, obtained 54 percent of the votes; the PDC obtained 37 percent; the PCN had 4.21 percent; and the CD received 3.2 percent, according to the preliminary results.

"This fraudulent maneuver prevents the CD from being represented in the CCE—the top election tribunal—as the third political force of the country and from being the independent voice that does not allow fraud," Ungo pointed out.

The Electoral Code establishes that the three parties obtaining the majority of votes in the elections compose the tribunal.

According to the CD, "a considerable amount" of the votes in its favor "were deliberately annulled" to reduce the left's percentage, which would have placed it in third place, surpassed only by the rightist ARENA and PDC.

Forty hours after the closing of the polls and after the preliminary results in favor of ARENA, the CCE began the final vote count.

It is expected that the results will be announced today or tomorrow, CCE President Ricardo Perdomo announced.

Nearly 15 hours after the elections were over, ARENA charged that the PDC "was preparing a maneuver" to hinder the vote count.

Ungo ruled out the use of legal measures to challenge the elections or a writ of amparo before the Supreme Court of Justice.

For his part, CD coordinator Ruben Zamora said that "the main reason for the fraudulent maneuver is to prevent our uncovering the type of irregularities and the maneuver to deprive the CD of third place."

Zamora on CD 'Fraud' Claims

PA2303050689 San Salvador Canal Doce Television in Spanish 0323 GMT 23 Mar 89

[Report by Marco Antonio Guevara on interview with CD leader Ruben Zamora on 22 March; place not given—passages within quotation marks recorded]

[Text] The CD announced that it was walking out of the final vote tally today so as not to help legitimize a fraud in favor of the PCN to deprive the CD of its third-place finish in the elections.

[Zamora] "In general, we are satisfied. We feel that our political group is the only one that has grown and has a chance to grow. We are [words indistinct] the options in the future. In many ways, with much [word indistinct] and limitations, we managed to outstrip all of the political parties except ARENA and the PDC."

Zamora said that in some cases the PCN received three times as many votes as it received last year and that there is a suspicious number of null votes.

[Zamora] "In the city of Santa Ana itself, many of our [words indistinct] had to step in and help rescue, at the time of the vote count, CD votes that had been included in a package of null votes. We were able to do this in Santa Ana because we had party representatives there. Tremendous discrepancies, with extremely high numbers of null votes, occurred in other cities where we had no representatives.

"The second reason we feel that there was fraudulent activity is the large number of votes for the PCN. For example, in San Vicente Department. At this moment, when the vote count is not yet finished, they are giving the PCN 3,144 votes in San Vicente Department. That is to say, from last year to now, the PCN has tripled the number of votes it received in San Vicente Department. If we study the voting results in other departments, the PCN is receiving [word indistinct] one-third of the votes it received last time."

Zamora said that in order for the elections to be considered clean it would be necessary to review not only the municipal and departmental vote-count certificates but also the voting table records as well, with a possibility of reviewing the ballots.

According to reports, the CD will not attempt to resolve their complaints through legal channels, such as writs of amparo, since the courts are already heavily backlogged. The political party that is declared the third-place finisher in the elections will have a voice and vote at the CCE for the next 5 years. For the time being, ARENA and the PDC have clinched their positions on the council while third place has yet to be decided.

UNTS Mocks ARENA Victory, Authority

PA2303041989 San Salvador Canal Doce Television in Spanish 0335 GMT 23 Mar 89

[Text] The National Union of Salvadoran Workers [UNTS] announced that the election results indicate that the U.S. Government has merely changed instruments in carrying out its policy. The organization said that there could hardly be an understanding between the ARENA and UNTS.

[Begin unidentified speaker recording] Out of every 100 eligible Salvadoran voters, only about 21 cast votes, and of these 21 only 11 voted for ARENA. This makes it clear that Alfredo Cristiani and ARENA have only reaped the harvest of defeat inflicted by the people on the PDC and the U.S. Government's interventionist plans. With only 11 of every 100 Salvadorans voting for ARENA, it has no moral or political authority to govern. ARENA knows very well that within a legal, official, and institutional framework the party achieved a majority in the elections, but that it does not have the moral or political authority to govern effectively. [end recording]

According to UNTS, the ARENA government will bring about more war and repression. There will be fewer loans for members of cooperatives and better conditions for the oligarchy. This will foment an even more bitter struggle, they claimed. Proof of this new attitude against the people is that the headquarters of such organizations as UNTS have been surrounded by the military, UNTS leaders said.

Editorial Applauds 'Indisputable' Vote Results

PA2203173189 San Salvador LA PRENSA GRAFICA in Spanish 21 Mar 89 p 7

[Editorial: "The New Right Comes to Power"]

[Text] The 19 March election is completely valid, and its results are indisputable. The people have had their say, overcoming all the obstacles set up by the leftist extremists. Even though it is true that the election was held under dangerous circumstances, it is not true that the value of its results is in any danger. The latter is what an expert in subversive propaganda would like to have people believe, using specious arguments in an attempt to deceive a people who are no longer easily fooled. Sunday's event was exemplary because it was held under the clear mandate of the Constitution and also because it proved, in fact, the viability of the principle of presidential succession, which is one of the cornerstones of representative democracy.

Although it is true that the number of voters did not reach a spectacular figure, it is important to point out an irrefutable fact: Under dangerous and difficult circumstances the value of each vote is multiplied, because it represents a much stronger than normal expression of one's will. It is not the same to peacefully cast a vote in a Swiss neighborhood or in a U.S. city as it is to cast a vote while bullets fly and bombs explode in a country bombarded by Marxist-Leninist hysteria. Heroism was behind each vote here, and this imparts great moral dignity to our democratic process.

To ask the Salvadoran people to achieve voting figures that never have been achieved in countries that live in peace and have firmly founded institutions is not only a flagrant injustice but also a political absurdity. Unfortunately, many observers, particularly those who lean to the left, are demanding from the Salvadoran election—so they can give it their "seal of approval"—a degree of perfection that they would not dream of demanding in their own countries.

We Salvadorans have more than enough reasons to be proud of our democratic development, which—although not perfect—produces serious and reliable results. For this reason there should be full recognition of the crushing decision made by the people on 19 March. The people, rejecting demagoguery and violence, have given victory to a rightist group that, as we said in an editorial on 16 September 1988, "corresponds to feelings that are deeply imbedded in the spirit of Salvadorans, who inequivocably prefer freedom of choice over imposition by any group, regardless of its leanings."

Corporal Arrested for Killing Newsman

PA2203131989 San Salvador Canal Doce Television in Spanish 0300 GMT 22 Mar 89

[Text] Military sources have confirmed the arrest of Corporal Rafael Antonio Orellana Guevara, who is accused of shooting Canal Doce technician Mauricio

Pineda on Sunday. According to those sources, Colonel Rene Majano Araujo, commander of the Manuel Jose Arce Battalion, ordered the arrest in anticipation of a judge's order to the same effect. Cpl Orellano is being held at the San Miguel Penitentiary until judicial authorities start proceedings against him.

Army Inquiry Into Newsmen's Deaths Ridiculed

PA2303011489 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2312 GMT 22 Mar 89

[Text] [Words indistinct] appeared with Colonel Rene Ponce before reporters saying that the inquiry into the death of the three reporters has already begun. [passage indistinct] The inquiry into the reporters' death has been initiated, but its basic goal is to cover up for the real criminals, who are high-ranking Army officers. A corporal has been arrested in connection with the death of a Canal Doce reporter in San Miguel, while the real criminal—Colonel [Mauricio] Vargas—is completely free and giving instructions for the continued murder of civilians.

In the case of REUTER reporter Roberto Navas, [Colonel Eugenio] Vides Casanova cynically said that he is personally investigating the case. The people, however, are asking themselves what guarantees they can expect from an inquiry directed by the guiltiest of them all.

Vides Casanova, disturbed by the questions of approximately 100 reporters, said that the Army will take measures and that all military units will be instructed to implement them to ensure greater respect for reporters' work. The effeminate [la munecona] Vides, finding himself between the devil and the deep blue sea, was forced to acknowledge that there never has been respect for freedom of expression in El Salvador. He added that soldiers nationwide will receive educational lectures in order to learn to respect human rights and the press, even in war zones. Vides Casanova must have been referring to educational lectures on human rights which, to date, have lead to the deaths of over 70,000 people. As for Colonel Ponce, as is usual when he appears with the effeminate one, he remained silent to avoid putting his foot in his mouth.

Vides Casanova on Elections, Newsmen's Deaths

PA2303050189 San Salvador Canal Doce Television in Spanish 0345 GMT 23 Mar 89

[Report by Ernesto Rivas on interview with Defense Minister General Carlos Eugenio Vides Casanova in San Salvador; date and place not given]

[Text] For General Carlos Eugenio Vides Casanova, a change of government in El Salvador does not by any means pose a problem; it means that the democratic peace process has been strengthened. Gen Vides Casanova said that the party and candidates who won the recent elections will have the Armed Forces' full support, just as the PDC had their support. He stressed that over the past few years the Army has stayed out of politics and has been devoted solely to its constitutional mandate. Among other things, Gen Vides Casanova questioned the desire for peace of the Farabundo Marti National Liberation Front [FMLN].

[Begin recording] [Vides Casanova] It is just this respect for the democratic process that makes the Army a permanent institution. The Army cooperated with the PDC and it will cooperate with the new ARENA administration, which has been officially proclaimed the winner by the CCE. I do not see any problem in this.

[Rivas] General, some politicians say that there will be a substantial reduction in U.S. military and economic aid to El Salvador this year.

[Vides Casanova] That may be true, but I believe that the trend is toward making reductions regardless of what administration holds power. Nevertheless, statements by ranking U.S. officials indicate that the United States will continue to support any administration that takes office as long as that administration respects human rights and the democratic process. I believe that this is true in El Salvador's case.

[Rivas] General, how would you view future talks with the FMLN after the previous talks were broken off prior to the elections?

[Vides Casanova] That depends on whether or not the president believes that the struggle for peace requires holding talks. I doubt that the FMLN's proposals are serious, but I do believe that we must seek the path of dialogue. The government, however, will have to decide on the right moment to do this.

[Rivas] General, there had been talk of peace during the past few days, but the conflict worsened—although you said that the Army would decree a unilateral cease-fire. What is your opinion on the FMLN's actions?

[Vides Casanova] The Army will continue to maintain its cease-fire for a few more days. I believe the word is misused because it is constantly [word indistinct]. In the future, we should use the term offensive operations because, in reality, [words indistinct]. The Army is not hostile, and we should not use the wrong term. What matters most is that we have proved that we do want peace. We are willing to take certain risks by discontinuing our offensive operations, but, whenever necessary, we will resume actions. I doubted the seriousness of the FMLN's peace proposals because I am [words indistinct], and the number of attacks in which the Armed Forces have had to defend itself through offensive operations has increased. [end recording]

The defense minister summed up the words of the Supreme Court president, who recently said that in El Salvador democracy is not in the process of development but is fully operational. Vides Casanova reiterated this statement, adding that as long as he is defense minister,

he will observe the necessary democratic values and will endeavor to have his successor continue observing these values and, if possible, to improve upon them.

Meanwhile, Gen Vides Casanova established a precedent regarding the inquiry into the recent deaths of three reporters and the serious wounding of another. He said that the investigation into the reporters' deaths will be exhaustive and will not be limited to the reports presented by those who fired from their checkpoints.

After expressing his condolences, Gen Vides Casanova expressed concern over the incidents, giving assurances that the incidents were not premeditated and that the necessary rules and guarantees will be implemented to prevent such an incident from ever happening again.

[Begin Vides Casanova recording] I felt very proud of the Armed Forces' achievements during these elections, but this sad news about your three colleagues, two of whom were killed at different checkpoints during combat missions, has saddened us and has made us feel small. Our feelings for the reporters are sincere, not only because no news report is worth someone's life—as you journalists say in your press jargon.

Nevertheless, I must say that during these years of war we have seen how the media has gradually acknowledged the Armed Forces' efforts, especially regarding progress made toward the establishment of a truly democratic process in this country, and how it has also acknowledged the progress that we have gradually made in the area of human rights. In our particular case, we want to improve and strengthen our ties with all of you and we want to correct any failings that we may have, so that all of us can perform our jobs in the fullest way possible.

You must continue to inform the world and shape the public's opinions, and we must fulfill our duty of safeguarding our country's security. The key is in the rapprochement and understanding we establish with you, which will allow the Armed Forces to fully implement established and clear procedures to prevent incidents such as the ones we experienced on election day from recurring. [end recording]

As a specific step toward guaranteeing security for the press, two media representatives—one national and one international—will hold talks with the High Command over the next few days, during which time they will discuss [words indistinct]. It must be said that the commanders of the various military garrisons have never blocked the media's work, but the behavior and lack of understanding of some patrol unit chiefs is totally different. Thus, Gen Vides' statements were very positive, because one of the measures Vides Casanova promised was to instruct troops that the media's work is not political in nature nor does it lean toward any political bias. The media has promised to respect the Armed Forces in every regard, with the understanding that respect for others' rights brings peace.

CD's Zamora on Vides' 'Threatening' Statement

PA2203222289 Panama City ACAN in Spanish 2104 GMT 22 Mar 89

[Text] San Salvador, 22 Mar (ACAN-EFE)—Salvadoran leftist leader Ruben Zamora today described as "threatening" a statement by Defense Minister General Eugenio Vides, who said he does not rule out a possible guerrilla attack against CD leaders.

"We interpret this statement as a threat," Zamora said during a news conference, adding that "Minister Vides has signed a blank check for the death squads."

A few hours before, Vides expressed his "concern" over possible attacks by the guerrillas against leftist leaders as a result of "tactical differences" that emerged during the election process.

CD leader Guillermo Ungo admitted "tactical and temporary" differences with the guerrillas as a result of the rebel boycott of the elections, which according to leftist parties was the reason for the low percentage of votes (approximately 3.5 percent) the CD received in the elections. However, Ungo stressed: "We have reasons to seek a better understanding with the guerrillas."

Zamora stated: "We fear the rightist death squads. We fear government repression, and any concern coming from the government regarding our security."

The CD maintains that it will continue to be active in the internal political arena, in search of a political and negotiated solution to the Salvadoran armed conflict, which has claimed more than 70,000 lives over the last 9 years.

Ungo said today: "We have taken the word of the Salvadoran parties, which have expressed their willingness to continue the dialogue leading to a peaceful solution to the conflict. In a week's time, we will all have to address the issue of peace."

Ungo stated: "Since the elections, we have detected and confirmed that there is a common denominator among the Salvadoran people: a yearning for peace and the need to find a political solution."

The two parties that make up the CD have maintained political ties with the FMLN since the early 1980's.

Nicaragua

Editorial Labels Salvadoran Elections 'Farce'

PA2303030489 Managua BARRICADA in Spanish 21 Mar 89 p 3

[Editorial: "Salvadoran Elections—A Farce That Resolved Nothing"]

[Text] Far from achieving a truce the day the recent presidential elections were held, a general increase in violence throughout the entire country was the result of

the civil war in which the United States and the military have submerged El Salvador for the past 9 years. On the one hand, there was the militarization of the elections themselves and the indiscriminate bombing and machinegunning of the civilian population, which left a toll of hundreds of victims as well as three newsmen murdered by Army members. On the other hand, there were military actions by the Farabundo Marti National Liberation Front [FMLN] which, among other things, inflicted 150 casualties on the Army and brought 90 percent of the traffic to a standstill.

The voting statistics paint a similar picture: In 29 of the 262 municipalities into which the country is divided, there was no voting at all. Of the 2.2 million Salvadorans who should be on the voting lists, only 1.8 million were registered, and while 60 percent of the voters showed up at the polls for the 1984 elections, this figure was completely inverted this past 19 March.

Today—just like before the balloting began—peace, democracy, and social harmony in El Salvador [will not be reached] as long as the United States and the Army continue to usurp the power formally represented by a civilian government, and any presidential elections—in addition to yielding another farce similar to the one that has just been staged—will only result in an atmosphere of violence that might extend even further and reach even bloodier proportions.

If, on the contrary, those who really hold power were interested in a negotiated, peaceful solution to the Salvadoran conflict, they would at least be taking the first serious steps to meet with the other belligerent force: the FMLN.

For the time being, however, the new electoral farce has accomplished nothing but to provide overwhelming proof that it is entirely unviable and ineffective.

Economy Ministry Dismisses 300 Employees

PA2303040989 Managua LA PRENSA in Spanish 18 Mar 89 p 1

[Text] The Ministry of Economy, Industry, and Commerce today unexpectedly dismissed 300 of its 950 employees, many of whom had worked at the ministry for many years.

Workers at the ministry denounced what they described as an "irregular mechanism" or evil action by Commerce and Industry Minister Luis Carrion, who ordered the mass dismissals.

Surprisingly, a few minutes before closing time and without notice or consultation with the employees, they were informally notified that their services would no longer be required as of Holy Week [beginning 19 March].

The ministry said that the measure was the result of a "lack of budget funds." Those affected include secretaries, guards, janitors, and personnel in each one of the ministry's departments. Members of the Sandinist Party were asked to submit resignations so as not to tarnish their records, but the rest were not asked to do so. "This is the payment we receive after so many years of service," the dismissed workers complained.

Panama

U.S. 'Asylum' for Eric Delvalle Denounced

PA2303010589 Panama City Televisora Nacional in Spanish 2350 GMT 22 Mar 89

[Station commentary]

[Text] Washington, internationally renowned as the capital of crime, today gave asylum to Eric Arturo Delvalle, the genocidal criminal and traitor. Delvalle, accompanied by U.S. Secretary of State James Baker, spoke to newsmen after living in the United States for the past 2 months while fraudulently claiming to be the president of the Panamanians.

With the boldness and shamelessness of someone who, in serving U.S. interests, does not care about the harm that his unbridled ambition has caused our country, Eric Arturo Delvalle, the thief, has announced that he has moved to Miami, where he has purchased a home in an exclusive condominium. Delvalle said that the city of Miami will be his base, that he will continue to engage in politics full time there until his term ends in August, and that he will then dedicate himself to his own business interests.

These statements by Delvalle demonstrate that his mental imbalance, his frustration, and his unlimited meanness have led him to believe that he can move the capital of Panama to a condominium in Miami and, in addition, that he represents a government, which we all know exists only for him, who the people repudiate and abhor for selling out. To top off his boldness, he says he will dedicate himself to pursuing personal business interests—business interests created from the money stolen from the people and distributed among the traitorous, criminal members of his clique, including Gabriel Lewis Galindo, Juan B. Sosa, Alberto Garcia de Paredes, Bernardo Cardenas, and Ronald Reagan.

How comfortable it must be to live in the United States with money stolen from a people, with the complicity of U.S. criminals, without showing the slightest trace of compassion toward his fellow countrymen, who are starving, unemployed, lacking medicine, and whose chances of living well are diminished as a result of the economic blockade maintained by this criminal, Eric Arturo Delvalle, against innocent victims.

Beware citizens; the price of your sacrifice, your suffering, your frustrations, your unemployment, your hunger, and your sadness enriches the traitors and thieves who, in cutting the country's economic jugular vein, are sentencing you to a slow death. You endure your agony with the salve of nationalism while waiting to collect from those who are stealing from you today and subjecting you to suffering, as they celebrate their criminal enrichment with imported vodka.

Paper Condemns Continuation of Blandon's Salary
PA2103201289 Panama City CRITICA in Spanish 21 Mar 89 pp 1, 18

[Unattributed report]

[Text] Eng Jose Isabel Blandon, former Panamanian consul in New York and former manager of the Institute of Hydraulic Resources and Electrification [IRHE], continues to receive what he earned in those two positions from the generous hand of his protector, Eric Arturo Delvalle, who gives him $10,000 a month from the $65 million that belongs to the Panamanian people and was arbitrarily frozen by the United States.

In this manner Blandon continues to enjoy the good life at the cost of the sweat and sacrifice of 2 million fellow citizens who are suffering from a lack of medicine and an untold number of goods necessary for the normal development of the country, affected by the plundering by the group headed by former President Eric Arturo Delvalle, Juan B. Sosa, Alberto Garcia de Paredes, Gabriel Lewis Galindo, and Bernardo Cardenas.

THE WASHINGTON POST recently referred to the disappearance of $65 million, which has been used by Delvalle and his proteges to buy thoroughbred race horses and invest in real estate, including condominiums and expensive automobiles.

Jose I. Blandon has been receiving an annual salary of $120,000 for what he earned as consul general in New York and as IRHE general manager.

When Blandon was IRHE general manager, he had a payroll that included people who had already died, from which he obtained several hundred thousand dollars.

Blandon also made some deals in the IRHE in which he obtained the "right to review" certain contracts, on which he obtained good profits.

It will be recalled that at the start of his career Blandon joined the late General Omar Torrijos' team and had contacts with the Sandinist guerrillas at the beginning of their operations. Blandon also had contacts with other international guerrilla groups.

However, it was during his term as agrarian reform chief that he expropriated land and demonstrated an extremist position against Panamanian and U.S. oligarchic sectors. This earned him the sobriquet of "Trotskiyite" and anti-American extremist, which forced Torrijos to exile him in Spain—especially after witnessing Blandon's radical position on the agrarian reform he wanted for Panama.

Opposition Newsman's Sons, Secretaries Released
PA2203164989 Panama City LA ESTRELLA DE PANAMA in Spanish 22 Mar 89 p A-1

[Text] The two sons of newsman "Wilfi" Jimenez, Aurelio Jimenez Clement and Wilfredo Jimenez Clement, and Jimenez' secretaries, Anita Diaz de Ulloa and Lourdes Leivar, were released at approximately 1600 yesterday.

A spokesman for the Jimenez family said Wilfredo "Wilfi" Jimenez is still under arrest.

The released persons and "Wilfi" Jimenez—who was news director of the daily LA PRENSA—were arrested 2 days ago at Jimenez' offices in the Casablanca building in Panama City's El Carmen neighborhood.

Jimenez was preparing material for an opposition radio program and an opposition newspaper.

The Attorney General's Office is investigating the use of Jimenez' office to undermine state security.

Meanwhile, Government and Justice Minister Rodolfo Chiari de Leon was asked about the Jimenez case. He pointed out that Jimenez "had subversive material in his office and, besides, Jimenez' newspaper was not authorized to begin publication."

Chiari said Jimenez had also been drafting political pamphlets, adding that all of this information will be presented to the press and the public so they can draw their own conclusions.

Media Directorate To Check Announcers' Licenses
PA2303040289 Panama City Circuito RPC Television in Spanish 2300 GMT 22 Mar

[Text] Media Director Luis Romero Villalobos has reported that his office will demand strict compliance with all legal regulations on journalism.

[Begin recording] [Villalobos] We are in the process of checking all our files on those who work for radio stations as announcers. We are particularly interested in finding out who does and who does not have valid documents, permits, and licenses. We intend to take action next week against those who do not have the appropriate licenses.

[Reporter] What penalties will be applied for those found to be without valid licenses or those with expired licenses?

[Villalobos] According to law, fines from $5 to $200 can be applied against those who have repeatedly violated Decree 155. [end recording]

Poll Shows 57 Percent of Voters Prefer ADOC

PA2303052089 Paris AFP in Spanish 2023 GMT 22 Mar 89

[Text] Panama, 22 Mar (AFP)—According to a poll taken during the 1st week of March by the Venezuelan firm DOXA, Guillermo Endara, presidential candidate for the Civic Democratic Opposition Alliance [ADOC], will win the elections on 7 May in Panama with 57 percent of the vote.

The poll results, which were provided to AFP, revealed that businessman Carlos Duque, candidate for the government National Liberation Coalition (COLINA), has the support of 20 percent of the electorate.

Meanwhile, Hildebrando Nicosia, candidate of the Authentic Panamenist Party (PPA), also an opposition party, currently has the support of 2 percent of the electorate.

The poll also established that 41 percent of the voters would like General Manuel Antonio Noriega, chief of the Panama Defense Forces [FDP], to retire; 11 percent would like him to be removed; and 14 percent believe he should be "tried" for alleged "electoral crimes, drug trafficking, and corruption."

In the 7 May elections, in which 1,200,087 voters are scheduled to participate, a president, two vice presidents, 67 legislators, and 51 corregimiento representatives will be elected.

The poll revealed that 11 percent of the electorate are undecided as to whether they should abstain or vote for one of the three contenders.

COLINA is made up of the Democratic Revolutionary Party (PRD), Labor Party (PALA), Liberal Party (PL), Republican Party (PR), Revolutionary Panamenist Party (PPR), National Action Party (PAN), Democratic Workers Party (PDT), and the People's Party (PP-Communist).

The ADOC, meanwhile, is made up of the Christian Democratic Party (PDC), the Authentic Liberal Party (PLA), and the Nationalist Liberal Republican Movement (MOLIRENA).

U.S., PDC Reportedly Planning 'Interference'

PA2203152389 Panama City CRITICA in Spanish 22 Mar 89 p 24

[Unattributed article: "U.S. Embassy and PDC Plan Electoral Interference During the Elections"]

[Text] As part of the desperate plans of the U.S. Embassy in Panama to make the opposition seem to have received more votes—particularly the Christian Democratic Party [PDC] over the other parties in the coalition—even if victory is not achieved in the final count, 10 computers have been brought in from El Salvador, where they were used in the recent elections. These are $1-million state-of-the-art computers, which include transmission equipment. These computers, known in the market as "voice command" computers, will be used by the PDC on election day at the voting tables in the largest districts of the capital city, especially San Miguelito and Bella Vista.

As part of the plan, the PDC and its representatives will report inflated figures to confuse the public and wage a psychological war of issuing and disseminating other false data so that when the vote count begins, party followers will try to defend the false figures released during the actual voting process.

This is the reason why they are already giving out pamphlets urging people to congregate around the voting tables at a specific time to apply pressure on those who are counting the votes.

All of this has been prompted by the findings of U.S. agents spread throughout Panama, findings that demonstrate the weakness of the opposition among the masses.

CRITICA alerts the Electoral Tribunal to bear in mind that any foreign technology used with the express direction of a foreign power through its embassy not only represents interference in our nation's internal affairs but also constitutes a psychologically prefabricated fraud, accomplished with devious interests and for the purpose of creating confusion and creating violence.

The board of directors of this people's daily will send this information to the corresponding authorities of the Panamanian nation and the Electoral Tribunal so they may take the necessary steps. Be on the alert, Panamanian people!

Salvadoran Elections Show PDC 'Myopia'

PA2203174989 Panama City CRITICA in Spanish 21 Mar 89 p 4

[Editorial: "The Salvadoran Lesson"]

[Text] Although reports from fraternal El Salvador are still somewhat confusing, everything indicates that widespread bloodshed prevailed during the elections that just ended with the crushing defeat of the PDC, which has ruled that strife-torn Central American nation for the past few years.

Reports mention 100 guerrilla casualties, 40 dead soldiers, civilian deaths, and at least 3 newsmen killed in the line of duty: a human slaughter.

These macabre figures cited by international press agency reports, which we have not yet confirmed, indicate that the elections were held amid violence and thus in no way reflect the wishes of a majority.

These reports do, however, reflect the stubborness of a clique of the PDC, which chose bloodshed—in a country that is already bled dry because of an absurd genocide—over a prevention of bloodshed through negotiations with the guerrillas.

The defeat of President Jose Napoleon Duarte's PDC is now a fact. The ultrarightist ARENA has achieved power. Thus, a negotiated solution to the Salvadoran crisis, which has claimed thousands of lives, is not expected.

There is a lesson to be learned: The PDC has not solved the fraternal country's problems; quite the opposite, it has worsened them. The PDC's stubborness, myopia, and intransigence worsened the conflict by adding fuel to the fire, and we foresee only intensified fighting.

Panamanians must never forget this lesson.

ERSA Columnist on Support for COLINA

PA2103041589 Panama City MATUTINO in Spanish 20 Mar 89 p 4

["The People's Compass" column by Adolfo Benedetti]

[Text] The political activity held last Friday at ERSA [Revovacion Publishing Company, Inc.] to open its political committee's office was a real demonstration of support and loyalty from all of us who work for this company for the COLINA [National Liberation Coalition] presidential slate, consisting of Carlos Duque Jaen, Ramon Sieiro, and Aquilino Boyd, presidential and vice presidential candidates respectively.

The ceremony, hosted by Elias Abrego Solis, an efficient ERSA employee, was characterized by the spontaneity and enthusiasm that this electoral slate arouses in all Panamanians who are fully aware that COLINA represents the cause of national liberation, defense of social reforms, the revolutionary process, and reaffirmation of Panama's demand for respect for the Torrijos-Carter treaties.

If there has been a real battlefront against the aggression the Panamanian people are suffering as a result of Washington's hegemony in a close and criminal alliance with our country's oligarchic sectors, that battlefront has been ERSA. Despite the economic sacrifices made necessary by the crisis, ERSA has maintained an upright and unbending attitude against imperialism's attacks, systematically reporting the truth about the sedition promoted by the old classes and Reaganism, as ERSA's General Manager Escolastico Calvo M. has said. At a time when a firm stand must be taken, it is ERSA that has raised the flag of support for COLINA's slate, not only in the media it publishes, which provide authentic sources of guidance for our citizens, but also through ERSA's participation in electoral activities, such as the event that took place in the evening of 17 March when leading political figures who support the cause of national liberation mingled with a select and representative group of people, among whom were candidates for various public offices.

We are not referring to a group of embittered and vindictive people who merely pursue the reins of power in government to satisfy their appetites and desires. Instead, we are talking about a nucleus of ordinary men who earn their living with the pen and the printing press and who are willing to proclaim their active and open solidarity with COLINA's slate as a warm and fervent sign of a their consistent and heartfelt support for those who will lead our country's next government.

Friday's event demonstrated that ERSA's political morale is vigorous at a time when we must all contribute toward the reaffirmation of our nationalism and of Torrijist principles.

COLINA Political Rally in David Reported

PA2103133589 Panama City Televisora Nacional in Spanish 2300 GMT 20 Mar 89

[Text] Ramon Sieiro, National Liberation Coalition, COLINA, candidate for second vice president, led a long motorcade and march through the main streets of David to show the extraordinary support that exists for the COLINA ticket. Thousands of members of the Democratic Revolutionary Party, PRD; the Labor Party, PALA; the People's Party; the Democratic Workers' Party; the National Action Party; the Liberal Party; and the Revolutionary Panamenist Party [PPR] joined the demonstration.

The Chiriqui people took to the streets in their own cars, which included several floats carrying Panamanian women dressed in their best attire. There were lively local bands, dancing groups, and fireworks. The crowd shouted: Viva COLINA! They waved the flags of the parties that make up COLINA in support of the presidential ticket headed by Carlos Duque Jaen and including Ramon Sieiro and Aquilino Boyd, who are running for first and second vice president, respectively.

The political demonstration was held in the afternoon. It was an event witnessed by thousands of Chiriqui people along the main David highway.

Sieiro was the day's standard bearer at the David International Fair. Distinguished political leaders of the PRD, PALA, PPR, and the other parties that support COLINA participated in the great street dancing. Legislators, corregimiento representatives, candidates for public posts, and thousands of COLINA sympathizers joined these political leaders in the celebrations.

ADOC Sponsors TV Program on Party Activities

PA2103194289

[Editorial Report] Panama City Circuito RPC Television in Spanish at 0000 GMT on 21 March broadcasts a 15-minute video report on the first installment of a new program called "Headed for Victory" [Hacia el Triunfo], which will be aired at 0000 GMT Monday through Friday, sponsored by the Civic Democratic Opposition Alliance (ADOC). The announcer says: "The people took to the streets on 2 March demanding full compliance with human rights. On that occasion, international observers said several hundred thousand Panamanians took part in the ADOC demonstration. Panamanians from the interior of the country did not participate in that democratic celebration."

The announcer describes how people of all ages turned out at Via Argentina and other main avenues in Panama City, despite a lack of public transportation because of problems with vehicle license plates and the government's closing of public offices at midday. The announcer adds: "People came to defend democracy on foot, on motorcycles, by car, or by asking for rides. The 2d of March has become the starting point when hundreds of thousands of Panamanians said, say, and will say: No to the dictatorship; yes to democracy."

The announcer repeats details of the ADOC's national reconstruction program released on 16 March by saying the three candidates told the audience about the party's economic and political reconstruction plans. The announcer describes how the Marriott Hotel ballroom was completely full that evening, with people even having to stand in the hallway. Excerpts of the speech by presidential candidate Guillermo Endara Galimani stress the priority of a complete economic recovery through "full employment, civil servants' job stability, the strengthening of private enterprise, and respect for laws and citizens' rights." Endara also presents definite alternatives for improving and encouraging agricultural production and exports. The reporter lists Endara's proposals, such as eliminating hotel taxes, taking advantage of Panama's national resources, adjusting airfares, providing incentives for international film industries, and improving treatment of visitors and tourists—all aimed at reactivating tourism. Endara also outlines plans to lower public service costs, such as water, telephones, electricity, and transportation. He adds: "We should prepare defined plans on how we are to administer the canal as our main natural resource. Let this be clear: We shall demand from the Americans faithful compliance with the canal treaties. The canal must definitely be turned over to Panama on 31 December 1999."

Endara continues: "The debt will be serviced in accordance with realistic repayment possibilities, without sacrificing economic and social development, political stability, and our people's social gains. Lending institutions and industrialized countries must share the burden of responsibility of this debt, absorbing part of it."

Endara closes his speech by saying that "the National Reconstruction Government will never print paper money and will continue with the current monetary system."

Next there is a report on a caravan headed by ADOC candidates Endara, Ricardo Arias Calderon, and Guillermo Ford, which had departed El Dorado shopping center and was touring neighborhoods in the area.

The program ends with statements by people on the street who are asked why they will vote for ADOC.

Opposition Candidates Tour Chiriqui Province

PA2203175389 Panama City Telemetro Television in Spanish 2300 GMT 20 Mar 89

[Text] The opposition candidates visited Chiriqui Province during the weekend. Presidential candidate Guillermo Endara outlined his party's platform.

After saying that attention will be given to the problems faced by the Indian population in their struggle to achieve their socioeconomic development, the Civic Democratic Opposition Alliance [ADOC] presidential candidates began their political tour in Tole, Chiriqui Province. Endara, Ricardo Arias Calderon, and Guillermo Ford delivered speeches in which they pointed out that the new government will assign great importance to the areas of health and education in order to improve the quality of life in the region. The opposition leaders later traveled to Las Lajas, where residents welcomed them. In Las Lajas, Guillermo Endara stressed the need for the people to defend their votes.

Later, a huge motorcade accompanied the opposition candidates to San Lorenzo. Jorge Ruben Rosas, who is the opposition candidate for legislator in the region, pointed out that the current government has turned its back on the problems faced by peasants and Indians, and he said the people will not be fooled.

The activities conducted by the opposition in Chiriqui Province also included a visit to the David International Fair. Endara toured the area and exchanged views with his followers.

On 19 March, the opposition presidential candidate traveled to Boquete, where Arnulfo Arias' widow Mireya Moscoso and local residents listened to Endara's remarks about former President Arnulfo Arias. Also in Boquete, Endara visited the home of deceased leader Arnulfo Arias, whom he described as his teacher.

The ADOC candidates also visited Dolega and Gualaca. Authentic Liberal Party member Julio Harris, Arnulfo Arias follower Miguel Batista, and candidate for legislator (Nobier Miranda) delivered speeches in Gualaca. They all pointed out that the agriculture sector needs effective technical assistance programs and more financial credit.

Endara and Moscoso greeted those who were present amid expressions of political joy. Endara said in Gualaca that special attention will be paid to rural areas, which need greater support in the agriculture sector.

The opposition candidate evaluated his tour to Chiriqui Province:

[Begin recording] [Endara] The people have been abandoned, simply because the government does not really represent the people. In an authentic democratic regime, the government suffers before the people do. The government should be concerned about the needs of the people and bring solutions to their problems. A democratic government has a duty toward its people.

[Reporter] As for the elections, do you have any specific message for the people.

[Endara] Yes. Everyone has a chance of being the founding father of the new Republic by voting on 7 May. [end recording]

Archbishop Desmond Tutu, Delegation Arrive

PA2003222389 Panama City Circuito RPC Radio in Spanish 1700 GMT 20 Mar 89

[Text] An Anglican Episcopal Church delegation arrived here yesterday for a 3-day visit. The delegation is headed by Primate Edmond Browning, bishop-president of the Episcopal Church, who said in a news conference that he had received an invitation to visit Panama from Panamanian Anglican Church Bishop James Ottley and that he had come to listen to the Panamanian people and to support their struggle for better living conditions.

Bishop Browning said this visit was also the result of a 4-day retreat held in West Park, New York, where the delegation spent 3 days in silence and meditation. He said Archbishop Desmond Tutu was the retreat's spiritual leader. They also met there for a day and a half with bishops from Nicaragua and Panama, who discussed the pain and suffering endured by the people of those countries.

In addition to Browning and Ottley, the delegation also includes Archbishop Orland Lindsay of the Antillean Anglican Church; Michael Peers, primate of the church in Canada; and South African Archbishop Desmond Tutu. Tutu has won the Nobel Peace Prize and is a strong human rights activist and opponent of racial discrimination.

Tutu talked to the press and called for the self-determination of peoples. As for his visit to Panama and Nicaragua, he said:

[Begin recording] [Tutu in English with passage-by-passage translation into Spanish] We have come to listen to what the people of Panama believe and feel. We would like to support the weak against the strong because that is where our God stands.

[Reporter] Do you think the United States does enough against apartheid in South Africa?

[Tutu] We have characterized the policies of the former U.S. Administration as a disaster for our people. We have said many times before that if the United States and the West in general wanted to do something about it, they could end apartheid in a day. That means we believe they are not doing nearly enough to assist the suffering people of South Africa. We do, however, make a distinction between the U.S. Government and the American people.

[Reporter] Do you plan to talk with Panamanian authorities? What specific topics are you going to discuss?

[Tutu] We requested a meeting with the minister in charge of the Presidency, but our request went unanswered. However, we were granted a meeting with General Noreiega and we may meet with him tomorrow. We will probably discuss topics like the situation of the Panamanian people.

[Reporter] After listening to the events in Panama and Nicaragua, what message do you have for Nicaraguan and Panamanian leaders so that they can achieve peace?

[Tutu] First, it is quite clear to us that the people of the region, especially the five countries of Central America, want peace, including this country [laughs]. We have said we want to support the peoples' aspirations for self-determination. We want to do all we can to urge other governments to support the peace process that has been promoted by the presidents of the five countries. In Nicaragua we praised the positive steps that the government has taken, such as the release of the nearly 1,900 former national guardsmen, but we will also denounce human rights violations whenever they occur. [end recording]

These was some of the statements made by Anglican Archbishop Desmond Tutu. The Anglican Church delegation met today with General Manuel Antonio Noriega, Panama Defense Forces commander in chief, with whom they discussed the country's situation. This afternoon they will make a courtesy call on the Panama Canal Commission administrator and deputy administrator. At 1500 they will meet with representatives of the Civic Crusade, and at 1900 they will hold a holy eucharist at the Atlapa Convention Center. The service will be officiated by Primate Browning and Desmond Tutu will give the sermon.

Group Meets With Noriega

PA2103204789 Panama City Circuito RPC Television in Spanish 2300 GMT 20 Mar 89

[Excerpts] South African Archbishop Desmond Tutu paid a courtesy visit today to General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP]. [passage omitted]

Continuing on his tight schedule in Panama, Tutu met with Gen Noriega and the FDP General Staff this morning.

Tutu, who won the 1984 Nobel Peace Prize for his efforts to achieve world peace and for his struggle to end racial discrimination in South Africa and social injustice in general, was accompanied by Bishop Browning, Canadian Primate Michael Peers, and Bishop James Ottley of the Panamanian Anglican Church.

After exchanging views on the Panamanian situation, Tutu told the press about the issues the delegation discussed with Gen Noriega. His statements were translated into Spanish by Bishop James Ottley.

[Begin Ottley recording] We talked about the closed media and about human rights, specifically the rights of some people who are in jail. We also talked about those who have been unable to obtain tax clearance certificates because they work for the Panama Canal Commission. As you know, those people cannot buy license plates and cannot leave the country without the tax clearance certificate.

Regarding that last issue, we received a guarantee that the authorities are trying to find a solution to that problem in a way that will not harm the government but will help those people. [end recording]

Bishops Urge Fair Elections

PA2203185789 Panama City Circuito RPC Television in Spanish 2300 GMT 21 Mar 89

[Text] Presided over by U.S. Bishop Edmond Browning, the Anglican Episcopal Church held a mass attended by members of the ecumenical, Protestant, Catholic, Episcopal, and lay communities at the Atlapa Convention Center. With this religious ceremony, the four Anglican bishops completed a pastoral visit to the Panama City Diocese. The sermon was delivered by South African Archbishop Desmond Tutu, winner of the 1984 Nobel Peace Prize, who referred to the iron-fisted racial discrimination in his country that is imposed by a small group of whites who rule over millions of blacks.

The mass was attended by hundreds of believers. At the conclusion of the religious ceremony, the Anglican bishops issued a declaration on their visit. The bishops said several groups told them about the disastrous effects of the U.S. economic sanctions, which have caused great suffering.

The Anglican bishops said they spoke with General Noriega about freedom of the press, political prisoners, the May elections, and other issues. They said the legitimacy of the elections will be questioned both in Panama and abroad if these are held while some media are closed and without independent international observers. The following is part of the declaration:

[Begin recording of delegation translator] The Anglican bishops intend to ask the World Council of Churches to appoint a delegation of election observers to come to Panama on our behalf. We also ask that fair election results be respected as the will of the Panamanian people. [end recording]

The bishops also referred to canal affairs in their declaration:

[Begin recording of delegation translator] We urge Gen Noriega to follow through on his promise to review the policy of denying a tax clearance certificate to Panamanian employees of the Panama Canal Commission [PCC]. We hope Gen Noriega will lift the restrictions on obtaining that document so the Panamanians who work for the PCC will enjoy the same benefits as the rest of the country's citizens. [end recording]

Hungarian Trade Missions To Visit 'Soon'

PA2303025489 Panama City MATUTINO in Spanish 20 Mar 89 p 6

[Text] Hungarian Ambassador Istvan Soos has visited the presidential palace and met Panamanian President Manuel Solis Palma. During the meeting, Ambassador Soos said he was bringing cordial greetings to the Panamanian people and Government from the president of the Presidential Council of Hungary, Dr. Bruno Straub. Soos told the Panamanian president that Hungarian businessmen are interested in reactivating the trade agreement between the two countries. He announced that Hungarian trade missions will soon be arriving in Panama. Ambassador Istvan Soos will stay in our country for a few days and then return to Managua, Nicaragua, where he has his main office.

No Plans To Build Housing Near U.S. Embassy

PA2103041989 Panama City Televisora Nacional in Spanish 0039 GMT 20 Mar 89

[Text] In a communique released a few minutes ago, the Presidency's Press Secretariat announced that there has never been plans to build a housing project in the Anayansi Park area on Balboa Avenue [across from the U.S. Embassy].

The communique adds that Manuel Solis Palma, minister in charge of the Presidency, is aware of the need to help solve the housing problem, but without harming the few green areas we have in the capital.

Weekly Review of Political Situation

PA2203222089

[Editorial Report] The following is a review of material from Panamanian and regional media related to the current political situation in Panama. This review covers the period from 14 through 20 March and includes some items that have been processed in fuller form.

Domestic Political Situation

Election Activity

During the week in review, Panamanian media carried several indications that election planning was on schedule and that the Solis Palma government was expecting the elections to be held as planned on 7 May. However, the media also reported differing reactions to the subject of international observers. On 15 March, Panama City Circuito RPC TV reported statements by Minister in Charge of the Presidency Manuel Solis Palma following the dedication of the Information Center of the Panamanian Electoral Tribunal (TEP). Solis told the press that international obsevers "may come to Panama, but we cannot accept international supervision of the Panamanian elections or any other sovereign action." Panama City LA ESTRELLA DE PANAMA published on 19 March a "Presidency communique" noting that "the government has made the solemn commitment to guarantee normal elections" and that the TEP will only "recognize foreign observers who have a valid invitation from the TEP." The media also carried negative reaction by the opposition to this communique. For example, RPC TV on 20 March quoted Alfredo Ramirez, president of the Nationalist Liberal Republican Movement (MOLIRENA), who said it is "absurd" that the government will only recognize observers invited by the TEP. On 20 March, Christian Democratic Party (PDC) legislator Guillermo Cochez commented on Panama City Circuito RPC Radio that the government wants "observers like (former U.S. Ambassador to Panama) Ambler Moss, who only sees one side of things." PDC member Jose Pitti added that if the government and TEP "have nothing to hide, they should permit any international observer who wishes to come to do so."

The local media gave broad coverage to a 12-15 March visit by a delegation from the Council of Freely Elected Heads of State, but reaction to the visit as expressed in the media was mixed. While a Panama City CRITICA editorial on 16 March referred to the delegation as a "snoop...intruder...busybody," Panama City MATUTINO's "Let the People Judge" columnist on 17 March praised delegate Ambler Moss as a "clever diplomat" who "defends U.S. interests without hurting the Panamanian people's feelings." Although a Legislative Assembly resolution reported by CRITICA on 15 March urged the observers "to notice the participation of the U.S. Embassy in the elections" and stated that "the intruders should leave," Panama City ACAN on 17 March reported that Solis Palma "praised" the delegation "for its objectivity" as it had also learned of the "U.S. aggression." The subject of "aggression" was also covered by CRITICA on 14 March when it reported that the delegation had met with the National Liberation Coalition (COLINA) presidential candidate Carlos Duque. Duque reportedly explained the extent of "U.S. aggression, which has succeeded in damaging the country's structure." RPC TV reported on 14 March that the delegation met with TEP President Yolanda Pulice de Rodriguez, who said "the international observers were very satisfied" with the information she provided.

The delegation's meeting with the Civic Democratic Opposition Alliance (ADOC) presidential slate was reported by RPC Radio on 16 March. The radio noted that the candidates "pointed to the lack of guarantees" for the elections, while presidential candidate Guillermo Endara explained "they did not touch on the subject of (General Manuel Antonio) Noriega, considered by the opposition as the main obstacle to the democratization process."

Ambler Moss was the most frequently quoted delegate. On 15 March, MEDIODIA quoted him as saying that he "shares" the Panamanian Catholic Church's stand of terming the U.S. economic sanctions "unjustified" and as voicing the hope that the "elections may improve the situation." The delegation's communique upon the conclusion of its visit was published by LA ESTRELLA DE PANAMA on 18 March. The communique states that the delegation's "first impression" is that the "legal framework" is "appropriate and guarantees the participation of citizens and political organizations."

However, on 20 March RPC Television reported the arrest of an opposition newsman, Alfredo "Wilfi" Jimenez Velez, his two sons, and two secretaries for reportedly "putting together a program" that was to be broadcast by Panama City Radio Mia on 21 March and working on a PDC news bulletin. Panama City Televisora Nacional on 21 March cited Assistant Attorney General Mario Ballesteros, who explained that Jimenez Velez and his group "were operating a clandestine press" used "to undermine the country's economy and state security."

During the week in review, proregime media covered the COLINA slate's visits to Cocle, Herrera, Los Santos, Veraguas, and Colon Provinces, as well as to parts of Panama Province. In Panama, candidates Carlos Duque, Ramon Sieiro, and Aquilino Boyd participated in ceremonies dedicating public works, addressed farmers and local residents, and attended a banquet organized by the "Friends of Carlos Duque Association." MATUTINO's 14 March editorial stated the "difference" between the COLINA and ADOC campaigns was that COLINA mentions facts and "dedicates waterworks, bridges, roads, and hospitals," while ADOC talks about "fraud."

COLINA's 16 March rally on 50th Street in Panama City, "formerly the seditious group's meeting place," according to Televisora Nacional, also received media attention. Televisora Nacional on 16 March reported that the main speaker at the rally was second vice presidential candidate Aquilino Boyd, who "lashed out

at the country's opposition," which has caused "instability." MATUTINO reported on 17 March that "the people took over 50th Street yesterday, and on 7 May the people will take over the nation, its present, and its future."

As covered by the media during the week in review, ADOC's campaign activities centered around Panama, Veraguas, Colon, Chiriqui, and Los Santos Provinces. Telemetro Television reported on 20 March that the ADOC slate's tour of Chiriqui included a meeting with Mireya Moscoso de Arias, the widow of Arnulfo Arias. A 15 March walk from Porras Plaza to Independence Plaza in Panama City headed by ADOC slate candidates Guillermo Endara, Ricardo Arias Calderon, and Guillermo Ford was described by RPC TV on 15 March as "peaceful and orderly" as the people walked "to insist on democratic and free elections."

The media carried several reports covering ADOC's announcement of its government platform. Panama City ACAN on 17 March noted that the platform "will attempt to win the private sector's confidence, reach a cooperation agreement with the military, reinvigorate the economy with international aid, and pay the foreign debt according to real payment possibilities." On 17 March, RPC TV broadcast excerpts of a speech by Endara outlining the plans of the "government of national reconstruction" that "will never print paper currency."

The subject of "fraud" was brought up by Arias Calderon in statements to Paris AFP on 15 March when he warned that Panama will "come to a standstill" if the government engages in "fraud" on 7 May.

FDP Activities

The media noted that the Panama Defense Forces (FDP) marked on 16 March the 1-year anniversary of the "attempted insurrection by the rebels." LA ESTRELLA DE PANAMA on 16 March carried an FDP statement on the anniversary, and Panama City LA REPUBLICA on 16 March ran an editorial that praised FDP Commander in Chief General Manuel Antonio Noriega's "courage in confronting the colossal resources of the most powerful country of the world."

On the proposed amendment to Law 20 on the FDP, RPC TV announced on 16 March that the Legislative Assembly's Government and Justice Commission had rejected the proposed amendment, because it would have "divided (the FDP) into three different commands" and the size of the population "did not justify this."

Socioeconomic Developments

13th-Month Bonus Issue

The Panamanian media continued to devote a great deal of attention to the issue of the 13-month bonus. As reported by RPC TV on 15 March, in a speech dedicating a TEP information center Solis Palma referred to the "mistaken expectations" people had in "thinking that the promissory notes were going to be an immediately negotiable instrument." The media also covered two government communiques on the issue. MEDIODIA on 15 March published a cabinet council decree establishing that the promissory notes "will earn 6-percent interest annually and are redeemable on 30 April 1991" or "on the date the U.S. economic aggression against Panama ends." On 19 March, LA ESTRELLA DE PANAMA published another government communique announcing that "all" notes "will be redeemed prior to December 1989 by means of lotteries" to be held monthly.

Economic Conditions

Reflecting current conditions, the president of the National Medical Association announced over Telemetro Television on 14 March that a nationwide shortage of medication exists because "unfortunately, the Health Ministry has ignored the association's recommendations" and a "minimum" of medication is not available to Social Security beneficiaries. According to the official, this is a "crisis" the association feels will continue "until the government stops politicizing the health situation."

On the subject of exports, MATUTINO carried on 15 March statements attributed to an official from the La Victoria (state) Sugar Corporation indicating that Panama was going to export 22,000 tons of sugar to Europe and Asia, which "will guarantee stability and salaries" for thousands of workers whose source of income "was jeopardized by the U.S. economic sanction of cutting Panama's sugar quota." CRITICA reported on 16 March that Panama's merchant fleet was increasing "despite U.S. aggression" and quoted a Foreign Ministry official who reported that 149 ships had been registered between 1 January and 8 March 1989, although "10 percent of the fleet registered by U.S. shipowners have not paid taxes to Panama in view of the aggression."

An announcement by the government's savings and loan institution, Caja de Ahorros, offering "low-income housing with reasonable financial terms," was the subject of MEDIODIA's 15 March editorial. The 15 March editorial in LA REPUBLICA said the announcement "has been well received by the community." Although the MATUTINO editorial on 16 March claimed that the measure "is reviving construction activity," LA ESTRELLA DE PANAMA on 16 March cited Eduardo Rodriguez, the president of Panamanian Chamber of Construction (CAPAC), as saying that "only some 2,000 construction workers—out of the 20,000 employed by the industry in 1987—were currently working" and that CAPAC "saw no possibility of renewed activity."

Relations With the U.S.

"Missing" Escrow Funds

During the week in review, regime media carried extensive reaction to a WASHINGTON POST report claiming that $61 million that "belongs to Panama and which

has been frozen by the Reagan administration is missing." In his 13 March "Alert to Citizens" segment, Televisora Nacional news director Julio Ortega warned that "driven by despair, the people might try to solve their problems by taking the wealth these traitors have accumulated." The photographs of the "traitors" who are "responsible for the tragedy" were published in LA REPUBLICA on 14 March and included the photographs of President Eric Arturo Delvalle; his ambassador to Washington, Juan B. Sosa; his consul in New York, Alberto Garcia de Paredes; former cabinet member Bernardo Cardenas; and opposition leader Gabriel Lewis Galindo. Reports of "angry patriots" picketing the Delvalle-owned Azucarera Nacional sugar company were carried by Televisora Nacional on 14 March, and on 15 March CRITICA added that the "demonstrators were demanding the expropriation of his (Delvalle's) property." The "Fausto's Mailbox" columnist in the 15 March edition of MATUTINO charged that the funds were being used "to support a gang of Panamanian traitors and to finance U.S. political expenses and covert actions in Nicaragua." Furthermore, the "Let the People Judge" columnist in the same edition of MATUTINO said "the Delvalle-gate" was part of the "U.S. economic war against Panama...for maintaining economic, military, and political control."

Official reaction to the WASHINGTON POST report was also carried by the media. "Foreign Ministry sources" told CRITICA on 16 March that "the government is preparing" to ask the U.S. Government Accounting Office to report on the escrow fund situation. MATUTINO reported on 16 March that Attorney General Carlos Villalaz confirmed that an arrest warrant against Delvalle had been issued and that his office was "investigating" with Interpol. More official reaction by the government appeared in CRITICA on 18 March when Foreign Minister Jorge Ritter said "the U.S. Government had gone from acting illegally to acting immorally when it allowed former President Eric Arturo Delvalle to squander Panamanian funds for purely personal purposes."

Tax Withholding Issue

The Panamanian media continued to cover the tax withholding issue affecting Panamanian employees of the Panama Canal Commission (PCC), but most of the coverage focused on a "note" to the PCC administration sent by the executive officer of the Panama Treaty Affairs Executive Directorate, Major Daniel Delgado. Televisora Nacional reported on 14 March that Delgado's letter blamed the United States for the "difficult situation" of the PCC employees, whom he praised for their "responsibility and patriotism." RPC TV reported on 17 March that through Maj Delgado's note, the Panamanian Government had "warned" PCC Administrator Dennis McAuliffe that "many" PCC employees had obtained license plates "through fraudulent means" and that "those employees must refrain from using their vehicles." MEDIODIA's editor, Guillermo Rodolfo Valdes, charged in his "Good News" column on 20 March that the "main culprits" for this situation are PCC Board of Directors President William Gianelli and McAuliffe, who implemented the U.S. decision against "these Panamanian workers who have no right to strike."

Relations With Other Countries

Costa Rica

MEDIODIA on 14 March printed charges by legislator Camilo Gozaine that Costa Rican helicopters "have been constantly violating Panamanian airspace," while LA ESTRELLA DE PANAMA ran on 15 March a communique issued by several associations of businessmen and producers requesting that the Panamanian Government "abolish in its entirety Decree No 26, dated 21 December 1988, that created a duty free zone in the area bordering Costa Rica."

Namibia

The departure of an FDP "peace mission" to Namibia as observers is considered a "diplomatic victory for Panama," according to MEDIODIA's 14 March editorial. The editorial added that it was "new recognition of the moral authority of the Panamanian state." The FDP mission is led by Lieutenant Colonel Aquilino Sieiro, who told CRITICA on 16 March that this mission is "world recognition of our decolonialization struggle." In remarks bidding the mission farewell on 20 March, which were carried by Televisora Nacional, Manuel Solis Palma pointed out that the FDP "is a bulwark of the country's peace and tranquillity," and that the mission was "not going to intervene in the domestic affairs of a new state" but "to seek peace and independence for a nation that is entitled to it."

Archbishop Tutu's Visit

The 19 March arrival of an Anglican Episcopal Church delegation that included Desmond Tutu, archbishop of South Africa, was also covered by the media. CRITICA on 20 March cited Archbishop Tutu as saying the "U.S. economic blockade against Panama is a policy that is making the people suffer," and the "world sides with the weaker against the stronger." The South African archbishop is described as a "strong human rights activist" by RPC Radio on 20 March and quoted as saying "we have said we want to support the people's aspiration for self-determination." RPC TV on 20 March reported Archbishop Tutu's meeting with General Noriega, where they reportedly exchanged "views on the Panamanian situation" and "talked about the closed media and human rights."

Chile

Matthei on U.S. 'Economic Aggression'

PY2203133089 Santiago Domestic Service in Spanish 1030 GMT 22 Mar 89

[Text] Air Force Commander in Chief General Fernando Matthei Aubel has said that the country has not understood the serious economic measures adopted by the United States against Chile. The government junta member gave a speech during a ceremony commemorating the Chilean Air Force's 59th anniversary. The ceremony took place in the Capitan Avalos Aviation School and was attended by the president of the Republic, Mrs Pinochet, the government junta members, ministers, and high-ranking national authorities.

Gen Matthei mentioned a well-known saying: What is known is not discussed because it is known; then it is forgotten because it is not discussed. He added that nowadays the Communist Party of Chile upholds the slogan: Do not forget and do not forgive. Therefore our response to them must be: We do not forget either.

Moreover, Gen Matthei directly referred to the serious economic problem that stems from the U.S. Government's decision to prohibit Chilean fruit imports.

[Begin Matthei recording] We have been dealt a new and harsh blow by the U.S. Government, which amounts to a political and economic aggression never before seen in history. This aggression may affect the entire nation, cause the loss of hundreds of millions of dollars, leave hundreds of thousands of workers unemployed, and force thousands of businessmen to go bankrupt.

All this is due to the terrorist sabotage of two grapes. Who did it? Measures like these against Chile and its Armed Forces cannot be understood. [end recording]

Much less, he added, when we have never done anything to harm the U.S. government or people. Gen Matthei called for higher spirits because, he said, we will produce more and better, and we will diversify our production.

Reiterates Intention To Resign

PY2203204689 Santiago Television Nacional de Chile in Spanish 1800 GMT 22 Mar 89

[Text] The Chilean Air Force [FACh] commander in chief, General Fernando Matthei, has reiterated that he will step down as FACh commander after the next government takes over and that he will devote himself to his private activities. Matthei made these statements at the end of a FACh anniversary ceremony last night.

The ceremony, presided over by President Augusto Pinochet, was attended by the members of the government junta. In his speech, Gen Matthei said that Chile has accomplished the work of a whole era in just 15 years.

Concerning the U.S. Government's measures on Chilean fruit, Matthei said that they constitute an economic and political aggression unprecedented in the history of the world. He said the measures will cause billions of dollars in losses and hundreds of thousands of unemployed workers and bankruptcies.

He said that under the leadership of President Pinochet, the Armed Forces worked together to fulfill a crucial stage in the development of Chile and the Chilean people. Matthei said that order has replaced chaos, jobs have replaced unemployment, and food has replaced starvation. He added that no threat, boycott, embargo, mobilization, or protest ever made the Armed Forces hesitate to discharge their duties.

Matthei was asked about his future within the FACh:

[Begin Matthei recording] At the end of this period, at the latest around next 10 or 11 March, before the new president takes office and after a new FACh commander has been installed, I will leave for good and devote myself to my private life. [end recording]

Santiago Poll on Fruit Problem Reported

PY2203160089 Santiago Television Nacional de Chile in Spanish 1800 GMT 21 Mar 89

[All figures as heard]

[Text] A poll conducted last weekend in Santiago indicates that 81.3 percent of Santiago residents describe the fruit problem as very serious and that 67 percent assess the reaction of the authorities as favorable.

Roberto Mendez, the director general of (?ADIMARK), the company that conducted the poll, has said that 443 people over 18 years of age were polled.

The poll indicates that 58.5 percent of Santiago residents describe the fruit problem as the nation's most serious problem while 52.1 percent claim that it hurts the Chilean people as a whole.

The majority of Santiago's residents—65.7 percent—believe that the goal of those with poisoned the exports is to damage Chile's image and that the U.S. overreacted.

However, Santiago residents disagree with extreme measures: 58.1 percent do not agree with paying the foreign debt and 84 percent disagree with the idea of severing diplomatic ties with the United States.

According to the poll, the problem is not viewed as a political action, there is a clearly moderate attitude toward the United States, and the majority support the government's actions.

Christian Democrats, Socialists Sign Pact

PY2203211989 Santiago Radio Chilena Network in Spanish 1700 GMT 22 Mar 89

[Text] Today the Christian Democratic Party [PDC] and the Socialist Party, Almeyda faction signed an agreement to nominate as soon as possible a single presidential candidate of the opposition for the upcoming elections.

Leaders of the two parties have been meeting the past few days, and this morning they met again at Socialist Party headquarters to release a joint declaration, which was read by Socialist Party member Luciano Valle.

The joint declaration states the parties' willingness to strengthen the spirit of change that led to the victory in the 5 October plebiscite. The document also says that the constitutional reforms proposed by the Democratic Coalition represent the minimum changes needed for a real democratic process. The PDC and the Socialist Party, Almeyda faction agree on the urgent need to conclude a program for the democratic reconstruction of the opposition parties. The two parties then express support for a government above party lines.

[Begin Valle recording] The strength, democratic ability, and efficiency of the first democratic government will depend on the unity of the democrats and the extent of the people's support and participation beyond the specific role of each party in the government. The two parties therefore agree on a common vision, and they purpose that the government should be above party interests and that the political forces should put their human, professional, and technical abilities at the service of the president. [end recording]

The two parties also express their willingness to nominate as soon as possible a single presidential candidate.

[Begin Valle recording] We believe there is an absolute need for a political agreement to nominate a single presidential candidate of the opposition and to participate in the congressional elections in order to ensure the highest representation of the democratic forces in the future. Despite their different ideological and political beliefs, the two parties, which certainly have great influence in national politics, agree on these proposals, which are in the higher interest of Chile. [end recording]

The PDC leaders at the meeting were Patricio Aylwin, Edgardo Boeninger, and Gutemberg Martinez. The Socialist Party was represented by Luciano Valle, Camilo Escalona, Hernan del Canto, and Rolando Calderon.

PDC Leaders Criticize Alliance With Left

PY2203145589 Santiago Domestic Service in Spanish 1030 GMT 22 Mar 89

[Text] Christian Democratic Party [PDC] leaders Adolfo Saldivar and (Hernan Vocelan), who were opposed to the party's recent political decision to ally with leftist sectors, have stated that their party's future stability should be based on a centrist position.

This proposal has received minority support in the PDC regional council's voting session, which determined that the PDC should ally itself with Marxist leftist sectors in an eventual opposition government.

Saldivar and (Vocelan) issued a document stating that the PDC should adopt such an ideological and political position so as to rule out the utopic thoughts of the past and to really take into consideration the moderate positions of the current real political center.

The two PDC leaders warned that a leftist-leaning government with Marxist members will hinder the actions of a future government and relations with the Armed Forces and will create political problems.

The document, which, according to Saldivar and (Vocelan), will be historical because of its clear warning for the PDC not to ally itself with Marxists, discusses the possibility that the Constitution not be amended. In that case, they ask how we will obtain the support of the majority we need to reform the Constitution. Will we then adopt a breakaway position, using the state power to destroy the institutions from inside?

After issuing a new warning about the difficulties that an alliance with leftist forces could bring, Salvador and (Vocelan) made an appeal to overcome the atmosphere of confrontation as soon as possible and to seek, since they say it is yet not too late, a centrist policy, which is the one that will obtain the most support among the nation.

Group Files Lawsuit on Behalf of Missing

PY2203195789 Santiago Television Nacional de Chile in Spanish 1800 GMT 22 Mar 89

[Text] The self-styled Group of Relatives of Executed Political Prisoners today filed a 77-page document with the courts, reporting the alleged disappearance of 668 persons between 1973 and 1974. The document includes a complete list of persons who have been missing for the past 15 years. This is the first time that a lawsuit of this kind has been filed with the courts.

Colombia

M-19 Members Meet Security Chief in Bogota

PA2203185289 Bogota Inravision Television Cadena 1 in Spanish 1732 GMT 22 Mar 89

[Report by Jesus Garzon on "exclusive interview" with seven M-19 members]

[Text] Weary of fighting underground and hoping for peace, seven members of the 19 April Movement [M-19] visited the offices of the Joint General Staff of the F-2 this morning. Colonel Eduardo Pelaez, the director of the security organization, met with them at 0930. Smiling—in a way they never thought they would be while visiting this government office—the guerrillas entered

and, after sitting face-to-face with the top F-2 commander, began the dialogue. They spoke about the protection the F-2 will give them from now on and about the members of that guerrilla organization who have matters pending before the courts. The unprecedented meeting developed in a courteous and even jovial atmosphere. [recording of several people laughing]

At the end of the meeting, 7 of the 13 M-19 guerrillas who came to Bogota said they had hopes for national peace:

[Begin recording] [Cabrera] Alfonso Cabrera, a man willing to struggle to the final circumstances for the goal of peace, which is a national aspiration and something that all Colombians demand.

[Adriana] Adriana, sociology student. I did not finish my college studies but nevertheless feel the urgency and need to give the country a new possibility of settling, of resolving, conflicts.

[Ramos] Rene Ramos Suarez. I am a philosopher at heart, who saw it was more urgent to transform rather than interpret reality. I am the coordinator of this team of 12 [figure as heard] apostles—a man willing to give his all for peace.

[Perdomo] Glicerio Perdomo Velez, chemistry student at Valle University. I am committed to the national task entrusted to us by the organization's general command, which is to represent them in the attempt to find a negotiated solution to the conflict being endured by Colombians.

[Buritica] Jose de Jesus Buritica Arango. I am a peasant just like my forefathers and am convinced, along with millions of Colombian peasants and Indians, that peace is possible and that it is necessary to achieve it through a political solution.

[Caicedo] Alberto Caicedo, journalist. I am married and have two children. I am on this team because I am convinced we will be able to show the world that here in Colombia there is a possibility of solving conflicts with negotiation and political agreement, instead of wearing ourselves out in a never-ending war.

[Pineda] Hector Pineda Salazar. I am single and willing to show all Colombia that the path of dialogue and agreement is a sure path and a way to achieve peace and harmony among Colombians. [end recording]

In this way, 7 of the 13 members of the M-19 returned to civilian life today.

Ecuador

AVC Optimistic on Dialogue With Government

PA2303033189 Quito Radio Quito in Spanish 2300 GMT 22 Mar 89

[Text] Pedro Jacinto Moncada, official spokesman for the Alfaro Lives Damnit [AVC] guerrilla organization, said that the AVC is prepared to face whatever consequences are necessary in the dialogue with the government. Moncada added that the AVC wants to solve the country's serious problems and expressed confidence that the AVC's agreement with the social democratic government will be fulfilled.

[Begin Moncada recording] I recall that most countries were ruled by dictatorships in 1979, and that those dictatorships did not exactly solve Latin America's problems. However, power shifted to democratic governments which, notwithstanding their drawbacks and unlike dictatorships, open new avenues for the people to express themselves.

Finally, in 1989, based on the government's decision to reaffirm its commitment to promote national dialogue to reach an agreement that would allow economic recovery and solutions to problems related to the entrenchment of democracy, we displayed no prejudice and (?were very generous, too,) I think, in reaching this agreement. This was so because we are more interested in our country's problems, in our national interests, than in criticizing. In this sense, we are prepared to face whatever consequences are necessary in this dialogue. You may rest assured that we are optimistic that a national agreement will be reached. [end recording]

Paraguay

ABC Resumes Publication, Outlines Policy

PY2303011489 Asuncion ABC COLOR in Spanish 22 Mar 89 p 12

[Editorial: "As Always"]

[Text] ABC is back with its readers today, after 5 years of forced silence.

As we resume our publication today, considering the exceptional historical circumstances the nation is experiencing these days, we think that this is no time to talk of the past. We think that what is important for all Paraguayans lies in the future: how to prevent from ever returning the frustrations and sufferings our fatherland has known, so that the freedom and justice its people have longed for finally becomes an everyday reality for all who live in this land—and for those who will live here in the future.

As we have done before, we will again work for that future from the pages of this newspaper.

The experience of the past cannot and must not be forgotten. On the contrary—without yielding to a spirit of unjust revenge—we should recall the past to the extent necessary to finally eliminate the evils of rancor, arbitrariness, and fear, which are so absurd and so contrary to our nation's republican nature. We must say that we feel pained by the blood that had to be shed so that the past could be put behind, as well as by the long time that could have been used to build the common good and coexistence, but that was instead lost to arrogance, corruption, immobility, and silence.

Our country cannot continue to be a lost island in a world that changes by the minute. Its destination must necessarily be to march forward.

We do not deny that material progress has been achieved. We have never denied it. As we have pointed out before, however, material progress is not enough. The future strength of the fatherland lies, above all, in the development of a civic spirit and a culture based on solid moral principles.

As an independent press must do, we will carry out our activities in freedom. We will, as always, set our sights high, both to praise and to criticize, and will do so respectfully but firmly.

As this newspaper sees it, freedom of the press is a fundamental value for the nation because, together with a genuinely independent judiciary, it is a guardian and a defender of all other freedoms. Freedom of the press is an indispensable aid to good government, which cannot exist without it.

It has been said that "ideas can be dangerous, but their suppression is always fatal." Let us hope that no freedom is ever again suppressed in our country. If the past taught us a lesson, it is that much wrong is done to a nation when arbitrariness replaces laws, and when its citizens are divided into "those above" and "those below." Such a division leads to national disunity, hatred, and violence.

With these sentiments, ABC reiterates its faith in the fatherland, and in the intelligence and good sense of all Paraguayans—a faith it has always had and will always have.

Peru

'Terrorists' Burn Education Ministry Buildings

PY2303004089 Madrid EFE in Spanish 2103 GMT 22 Mar 89

[Text] Lima, 22 Mar (EFE)—Terrorist groups last night attacked and burned several Education Ministry offices, killing a guard and the director of one of those offices.

Five buildings housing Educational Service Unit (USE) offices were burned and heavily damaged by unidentified terrorists.

In Vitarte, a township near Lima, two youths carrying pistols with silencers fatally shot Fernando Gabriel Nicho in the head. Nicho, who was the director of the Vitarte USE office, was riding a public bus with his wife.

Guard Mario Cuellar died and two workers were injured at the Venanilla USE building, which was set afire by terrorists.

Education Minister Mercedes Cabanillas visited the burned buildings and expressed her indignation over the actions.

Finance Minister in Paris for Meetings

PY2303025589 Lima Television Peruana in Spanish 0100 GMT 23 Mar 89

[Text] Finance and Economy Minister Carlos Rivas Davila arrived today in the French capital, where tomorrow he will have a working breakfast with IDB President Enrique Iglesias and lunch with French President Francois Mitterrand. In the afternoon he will meet with the Paris Club president.

Both Rivas Davila and Iglesias will continue to talk about the bridge loan that will allow Peru the financial resources to promote its development. They will discuss which countries might contribute capital for that loan.

French financial circles noted that at the IDB annual assembly Peru reasserted its willingess to discuss with the international financial community the terms for repaying its foreign debt.

20 Officers To Act as Observers in Namibia

PY2303024889 Lima Television Peruana in Spanish 0100 GMT 23 Mar 89

[Text] Peru will send a contingent of 20 officers of the Armed Forces to join as military observers the UN assistance group that is overseeing the transition in Namibia, according to a communique from the Foreign Ministry.

The communique also says that the mission of the UN assistance group is to end the illegal occupation of Namibia by South Africa.

Venezuela

Constitutional Guarantees Fully Restored

PA2203193389 Paris AFP in Spanish 1853 GMT 22 Mar 89

[Text] Caracas, 22 Mar (AFP)—Venezuelan Interior Minister Alejandro Izaguirre has announced that the country's Social Democratic government today fully reinstated constitutional guarantees that had been suspended on 28 February in the wake of riots and disturbances that devastated the country.

President Carlos Andres Perez had said last night he favored "reinstatement" of guarantees, after his cabinet had confirmed normalcy had returned to the country. He added that the decision might be reached today, as was indeed the case.

On 8 March the government announced the reinstatement of guarantees, but then retracted the announcement; the following day, Izaguirre himself said the decision applied only to freedom of expression.

With the approval of the Congress, the other guarantees had remained suspended: inviolability of the home, the right to change domiciles, freedom of movement, the right to enter and leave the country, the right to bring in and take out goods from the country, and the right of public and private assembly.

Suspension of the guarantees was the prelude to the establishment of a curfew, which remained in effect from 28 February to 6 March, to control the social uprising that officially left 276 dead and $150 million in property damage.

Interior Minister Cited

PA2303012989 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 23 Mar 89

[Text] Interior Minister Alejandro Izaguirre has announced that the Council of Ministers, at a meeting at the Miraflores Palace, decided to restore the constitutional rights that have remained suspended up to this time. This Executive Branch decision restores as of today all the rights suspended in Decrees 49 and 67. This decision will be published in the OFFICIAL GAZETTE tomorrow and congress will be informed of it on Tuesday when sessions resume. Foreign Minister Izaguirre explained why this decision was made:

[Begin Izaguirre recording] There is a climate of normalcy in the country, and the defense minister and I issued a report to this effect. The normalcy that prevails makes this an appropriate time to restore the suspended rights. [end recording]

Perez Interviewed on 'Face the Country' Program

PA2203132789 Caracas Venezolana de Television Canal 8 in Spanish 0010 GMT 21 Mar 89

["Special program" entitled "Face the Country" with President Carlos Andres Perez and local reporters in Caracas—live or recorded]

[Text] [Moderator] Good evening, ladies and gentlemen. Today we inaugurate the first Face the Country [Ante el Pais] program with President Carlos Andres Perez. The interviewers in today's program are distinguished local journalists from Caracas and the interior. They will ask President Perez questions on local and foreign affairs. Here is President Perez.

[Perez] Good evening to all those who are listening to me on the radio or television and good evening to the reporters participating in this first news conference, which inaugurates a practice that we will create during this presidential term. We will hold a news conference every 2 weeks. Next week I will also begin a radio program at 0615. It will be broadcast every Thursday and will last approximately 5 to 7 minutes. With these programs, I will permanently keep in touch with my compatriots and with foreigners living in our country and struggling with us for Venezuela's welfare and greatness. I will give the floor to the reporters to avoid wasting time with introductory statements.

[Moderator] Jesus Rondon, dean of the press corps assigned to the Presidency and who works for the newspaper EL UNIVERSAL, will open this news conference.

[Rondon] Good evening, Mr President. The popular question at this time is: When will constitutional guarantees be restored?

[Perez] Obviously that question is a permanent concern, because normally within a democracy there are permanent constitutional guarantees. The Constitution establishes the possibility of suspending or restricting those guarantees when serious public order disruptions take place and if the cabinet members advise the president to do so.

I believe we can say that the situation has fully returned to normal now. We believe that at the next cabinet session on Wednesday we will examine the situation and study the possibility of restoring constitutional guarantees. I believe that it is advisable to do so, but we must take into account the reports that the ministers in charge of public order will present. We must also listen to the various regional authorities. We will conduct an overall study with the goal of restoring constitutional guarantees. There is, therefore, a chance that we will announce the restoration of constitutional guarantees and issue the corresponding decree on Wednesday.

[Moderator] Now Eduardo Sapene, Radio Caracas Television news chief, who is an up-and-coming young Venezuelan journalist, has the chance to speak.

[Sapene] Thank you very much. Good evening, Mr President, and thank you for inviting us here. The local press today carried a report that caught my eye. The report says that the World Bank opposes the creation of sales taxes, commonly known as value-added taxes. The World Bank says that a new tax would add a new burden to the government's limited operational capacity. What does the World Bank mean by the government's limited operational capacity?

[Perez] I have not seen that World Bank report. I do know, however, that international and transnational organizations have recommended the creation of complementary taxes in our countries. Their suggestion is to

add indirect taxes to the direct income tax, which would result in a better distribution of liabilities. We would impose taxes on superfluous or luxury items, thus reducing unnecessary imports.

I cannot give you another answer to that question. That report surprised me. We would have to see the context within which the World Bank made that statement. The government is studying the creation of that tax. We will also issue a list banning the import of certain products and items, because at this time of crisis our foreign exchange must be used to benefit the majorities. There will be time for superfluous and unnecessary imports. Right now all groups must make sacrifices.

[Moderator] Gustavo Carmona, director of the Barquisimeto newspaper EL IMPULSO, will ask the next question.

[Carmona] There are two problems that, in addition to being of national interest, are of special importance to Lara State. I am referring to the situation of the farmers that has been reflected in the national press following the economic measures package that has been implemented. The farmers say agricultural production is about to collapse because of the increase in interest rates, the elimination of fertilizer subsidies, and other price regulations. The other problem that also specifically worries Lara State is the Yacambo-Quibor project. In August 1988, the National Congress passed a 3.7-billion-bolivares financing project. However, that project has not advanced. The company to run the project has not been incorporated, and the work itself has not resumed. The Yacambo-Quibor project is practically paralyzed, which means disaster for Lara State because we will not have potable water for Barquisimeto and environs or for the necessary irrigation projects.

[Perez] Your three questions are very interesting. In a situation such as the present one, agriculture is one of the most affected sectors. This is deplorable but natural, because agriculture has always been politicized in the country's economic policy. This is a problem that required a great deal of struggle on my part during my first term in office. Now, with more experience and knowledge, I plan to solve—in cooperation with all the advisers and agricultural sectors—and definitely begin a process guided by a mid- and long-range agricultural policy. We presently must correct the great difficulties faced by agriculture caused by price increases, which include not only higher interest rates at this initial stage in which interest rates are relatively high. It will be impossible for farmers to pay these interest rates. In addition, there are cost increases in imported supplies, such as agricultural machinery, seeds, and other supplies we still must import.

This is why we are studying complementary measures to solve the situation. For the time being, there has been an increase in prices of practically 100 percent, which will generate another problem next year: an increase in consumers' costs, which we also must face with different measures to improve the buying power of all national sectors. For the time being, we will have emergency solutions for these problems faced by agriculture. The farmers can rest assured that during our administration, they will not suffer damage to the agricultural process, although they must consider, as all sectors of Venezuela must, the quota of sacrifice we must make to recover a healthy economy that projects itself with clear certainty toward the future.

There is also the problem of subsidies. Fertilizer subsidies have not been canceled; they will amount to 5 billion bolivares this year, a huge amount. Nevertheless, it is evident that with the measure adopted to have a single exchange rate, the price of fertilizer will be affected by the new costs. Unfortunately, we have paid little attention in Venezuela to producing raw materials for fertilizers, and our fertilizer enterprise only produces fertilizers from imported raw materials. This situation will be corrected; however, it is a mid-range, not a short-range undertaking. Meanwhile, the only recourse is to establish a selectivity of production sectors that will have subsidized fertilizers. Other production sectors not of principal significance will not have subsidized fertilizers.

Regarding the Yacambo River project, what you say is true. The people of Lara State and of all Venezuela know I have been a full-time supporter of this project, I was its true initiator, and I protested the interruption of this indispensable process for Lara State during Herrera Campins' administration. I am now prepared to quickly start it up again. However, do not forget that I have been president for only 1 difficult month, but the reinitiation of the project will not go beyond the end of this month. This is a basic and urgent project for Lara State. Not just the Quibor Valley depends on this project; the development and progress of Barquisimeto also depend on it.

[Moderator] (Licer) Gonzalez, coordinator of Venevision's television economic coordinating section, has the next question.

[Gonzalez] We have heard that a meeting between yourself and U.S. President George Bush will take place; we would like to know when. We also know the principal subject for discussion will be the foreign debt. What will be your position regarding Venezuela and the other Latin American countries and what proposals will you make concerning the recently proposed U.S. Brady plan.

[Perez] We Venezuelans are all aware you journalists have been making people aware of the foreign debt's importance and basic significance. If these necessary, indispensable, and inevitable measures we are taking are to be successful in establishing solid bases for our economy, ensuring secure growth, and guaranteeing the well-being of our fellow citizens, we must solve this distressing problem of Venezuela's foreign debt. We have done a lot of work on this problem.

You know about my travels. I have struggled for years against this situation, gathering cooperation from Europe, the other Latin American countries, and practically the entire world. I have made pilgrimages for this problem.

However, we are already seeing the fruit of my efforts and the efforts of many Latin American countries, many Venezuelans, and many progressive-minded persons in the world who are aware of and are pained to see the yoke the industrialized nations have imposed on us with the way they have demanded we pay the foreign debt. Today, we believe we are on the road toward a solution. I expect to meet with U.S. President Bush soon. I have requested a meeting and have been told the date is being studied. However, I have not been given any specific date. However, this weekend I will meet with the Brazilian, Argentine, Uruguayan, Peruvian, and Colombian presidents. I will meet with four of them at the Brazilian border and with President Virgilio Barco at the Venezuelan-Colombian border. The purpose of these meetings is to allow me to take their mandate to an Atlanta meeting sponsored by the Carter Center—a meeting to be presided over by former U.S. Presidents Carter and Ford. This meeting on the foreign debt problem will have a deep impact on the public and on the Bush administration.

I will attend that meeting representing or conveying a mandate from the presidents of the Group of Eight. That is my purpose. It is Brazilian President Jose Sarney's initiative. Because I have been in telephone contact with Mexican President Salinas de Gortari, I will possibly stop in Mexico enroute to the United States to meet with him. Therefore, we are acting diligently and are prepared to make concerted efforts and reach an understanding. However, I am saying 1989 must be a decisive year in solving the foreign debt problem.

As an extraordinarily good and positive possibility, we already have U.S. President Bush's idea, conveyed through his treasury secretary, of recognizing the need to make a substantial reduction on the foreign debt and lower the payments to service the foreign debt.

This is a good start. However, the proposal made to us is still vague. Our purpose is to give it shape. I am also going to the United Nations on 29 March to bring this problem before all the other nations of the world through the United Nations. We can wait no longer. Reaching a categorical solution is necessary. If Venezuela, a Latin American country, had to make a sacrifice to show the seriousness of the situation, the incidents on 27 and 28 February and 1 March reveal the dimension and seriousness of the problem and the dramatic impact the foreign debt problem may have in Latin American countries as a result of the outbursts of disgust, unhappiness, and anguish by the low-income sectors, which are the ones that most directly bear the brunt of the economic situation all of us are experiencing.

[Moderator] Here is a rising figure in Venezuelan journalism, El NACIONAL's Alfredo Alvarez:

[Alvarez] Thank you, Mr President, and thank you for your invitation. There are two aspects of the country's political life that draw my attention, and I would like to know your views on them. The first one deals with the initiatives by such important groups as the Venezuelan Federation of Associations of Chambers of Commerce and Industry [FEDECAMARAS] and the Confederation of Venezuelan Workers [CTV] and by prominent private figures who have filed suits at the Supreme Court of Justice to annul or challenge the constitutionality of the measures you announced in your economic package. The second thing is my impression the Democratic Action Party [AD] has not fully espoused the issues mentioned in your economic proposal, and therefore has not been able to defend it as vehemently as the situation calls for. What are your views on the matter?

[Perez] First, we can do without passion in these times. We need serenity and reflection, because it is a difficult moment that adversely affects all Venezuelans, not only the government or the ruling party, AD. I am very pleased to see AD's attitude, which fully supports the decisions we have made—which have not been easy. These decisions are the result of a situation that had been growing in the country and that had reached a point where actions were necessary.

I have read in the newspapers about the possibility that legal actions may be taken. All Venezuelans and all foreigners living here have the right to resort to judicial institutions when they believe their rights are being violated. However, I have said I believe in the good sense of all Venezuelan sectors. I believe we do not have a confrontation between the government and the CTV, FEDECAMARAS, or people's organizations. We have a desire to reach an understanding in view of an extremely serious and difficult situation, which is why my concept of government can be described as a concerted action. There is no need to file a lawsuit when there are possibilities of reaching agreements in good faith among the parties involved.

I and my government represent the nation. We are an essential part of the country. What we do is for the benefit of all Venezuelans, all sectors. We regret and are sorry for the situation faced by business sectors because of the new economic situation in the country, the increase in prices, and the problems with the letters of credit. We regret all of this, but we cannot forget we also have an obligation and responsibility with the least-favored segments of Venezuelan society, which we must take care of with equilibrium and with a sense of justice.

I have said and I repeat: All Venezuelans want a strong and just economy, not chaos.

If we chose the path of legal action, maybe we would open up the road to many difficulties that could even lead to other legislative decisions by the government that would not benefit the interests of all Venezuelan sectors and that could prevent us from seeking as quickly as possible the solutions demanded by the country. I trust this will be the way all sectors in Venezuela will act and that is why we have not given much importance to the idea of carrying out legal actions, in which there would be a confrontation between the Venezuelan Government and other sectors of the country. We are willing to hold talks, listen to others, and make the necessary decisions.

[Moderator] EL MUNDO Director Hector Collins, a journalism veteran and now a congress deputy making his debut:

[Perez] He is the only one with immunity. [laughs]

[Collins] Thank you, Mr President. As member of the media commission of the Chamber of Deputies, I am pleased to see your government has sought solutions to the problems faced by the media in the interior. However, the large media of Caracas are also facing serious problems and are near bankruptcy because of the problems with the letters of credit. Do you, Mr President, plan to seek solutions to the problems faced by the Caracas media?

[Perez] Some demagogic propaganda and certain ideas by many people—who suspect the government is serving certain specific interests and not the overall interests of the community—hold that all this is to benefit the rich and favor the powerful. We are facing a situation here that shows this is not so. The crisis situation in which we are living adversely affects both the owners of capital and the other sectors of society. Large businessmen are currently facing difficult situations as a result of the measures the government has been forced to implement. We have the case here pointed out by Deputy Hector Collins. We are having problems with the newspapers in the interior, and I held a long talk with 48 or 50 Venezuelan newspaper directors, where we discussed a series of measures that could be taken to safeguard the media in the interior. We also face the problems with the big media's having to confront the consequences of the situation. For these media and for a large number of industries, we are preparing different mechanisms to facilitate the possibility to overcome these situations and the losses they will suffer. I plan to meet with all the country's bankers early next week to discuss the contribution the Venezuelan financial system should make to solve our problems and provide better service for their clients in view of the difficult situation we are experiencing.

Our economy minister is studying other plans that will contribute to confronting this temporary situation we are experiencing. I repeat: I hope that by 1990, we find an economic balance through a basic economic process built on firm bases and as a result of these contributions and measures. Therefore, I answer yes to your question.

[Moderator] Next is journalist Ramses Diaz Leon, chief editor of the newspaper LA NACION from San Cristobal City. He is a man who has struggled very hard to promote provincial journalism.

[Diaz] Good evening, Mr President. Thank you very much for inviting us to participate in this very important news conference. The statements made by the chief of the Central Information Office reported by [word indistinct] and what you just said, Mr President, show your government's interest in solving the problems of the provincial media. LA NACION is one of the most important newspapers edited in the interior of the country and has grown along with some difficulties worsened by the economic situation we are experiencing. Aware of that situation and of the situation our paper was facing, the people of Tachira State helped and contributed with us, but their contribution, although encouraging, is not enough. What could I tell my readers tomorrow? What kind of measures can the government take to help us buy, in view of the fact that Venezuelan letters of credit are no longer accepted?

[Perez] The publisher of newspaper LA NACION participated in the meeting we held here last Saturday. We discussed the situation you just described. I told the participants at the meeting that the government is seeking ways to obtain financial support to help the companies facing losses—LA NACION newspaper being one of them—because of the letters of credit in which the government had acquired practically half of the debt or had decided to assume half of the economic problems of those companies. In other words, we are working on the problem, but it is not easy. The meeting we will hold with the country's bankers next week is a basic element for the solution to that problem.

Regarding your gratitude for having invited you to participate in this news conference, I want to tell you your participation is not the result of a privilege based on the fact that I, too, come from Tachira State. Representatives of all provincial newspapers will have an opportunity to participate in upcoming news conferences. To make these news conferences more flexible, we decided to reduce the number of reporters to avoid having disappointed journalists who leave without having asked the questions they wanted to ask.

[Moderator] The next reporter is Luis Garcia Mora, subdirector of the newspaper EL DIARIO DE CARACAS. Mora is one of Caracas' most diligent and desirous journalists.

[Mora] Mr President, thank you for opening this series of news conferences, which the country needed very much. We have talked about the foreign debt and you referred to it as an important obstacle to be overcome. We hope everything works out. However, there is another problem in the country: administrative corruption. In addition to the economic adjustments you plan to implement, that corruption has to disappear for the country to

move ahead. No one has justified the difference between the sum of money approved for imports and the merchandise that actually has entered the country, which has been verified by RECADI [Differential Exchange System]. There is talk about some $3 billion or 120 million bolivares [figures as heard]. Our paper conducted an investigation and discovered seven cases of administrative corruption that were being investigated at the court to preserve our national heritage were closed without having issued any ruling on them. Those cases involved over 10 billion bolivares. My question is the following, and I ask it with due respect: How can the Venezuelan state and you assure international financial organizations that the loans Venezuela has requested from them will not have the same destiny of previous loans? Part of those loans have been usefully invested in the country's development, but a large part of them were prey to administrative corruption. How can you assure those organizations of the true destiny of those funds or of at least part of those funds?

[Perez] Your question and your thoughts are undoubtedly very important. However, I think we must look at that problem from the right perspective. Undoubtedly, one of this country's most serious problems is corruption—not administrative corruption, but the corruption that exists within important groups of our society, which have power over the handling of Venezuela's economic resources.

Corruption not only exists among public employees. Administrative corruption exists because there is corruption within all those other groups. Thinking that embezzlement is not possible because of modern accounting systems and that people cannot steal money from the public treasury because of those modern systems is absurd. Those systems are more sophisticated and effective now. Rather than safeguarding funds, those accounting systems actually help people devise false transactions, calculate incorrect commissions, plan frauds against the treasury, and smuggle merchandise. Those systems control overpricing on invoices and many other criminal actions that are very difficult to discover but that we must fight vigorously and efficiently.

You talked about several things, including RECADI's work. The Venezuelan Comptroller's General Office said it will begin investigating RECADI's activities. Through its Finance Ministry, the government will support the comptroller general during the investigation. The government will make all documents it has regarding that investigation available to the comptroller general.

I personally talked with Comptroller General Medina over the phone and confirmed the support the finance minister offered him. That issue will be subjected to an authentic investigation.

Today I read and became concerned about a news report stating that to preserve our national heritage, the court closed cases involving billions. That is a very serious problem. I must admit the problem does not fall into the Executive Branch's responsibilities, but that is not the question. That action concerns the nation as a whole and must be clearly and conclusively explained, because we live amid increasing uncertainty in Venezuela.

The situation we are experiencing now came as a surprise for Venezuelans. There is uncertainty and confusion. That is a problem, because that atmosphere does not contribute toward creating the essential trust needed to deal with the current situation. I have to deal with the situation, which is why I appreciate questions like yours. That is the job of a journalist. A journalist must inquire into everything to clearly inform the national community of what is going on.

The problem you presented requires very clear explanations by the various Venezuelan state institutions that deal with trials and judicial actions conducted in the various country's courts. As a Venezuelan citizen, I cannot understand the situation at the courts. I found out about it today when I read the press report. I do not have a clear idea of what is going on at the courts. However, we must make a concerted effort to face those problems of corruption, false transactions with state resources, and the benefits some private groups can obtain from government resources and contracts.

I already said no contracts will be signed as a result of the action or will of the various ministers. All contracts will enter a bidding process in accordance with the state's bidding regulations. We urge the Venezuelan Congress to approve the law on biddings as soon as possible. We will try to obtain the approval of a bill I presented during the previous presidential term, according to which all business representatives operating in Venezuela will have to register at the Finance Ministry and will have to give an account of the commissions they charge for their transactions. That will also contribute toward reducing corruption in the country. I offered the comptroller general all the government's support to face that situation. We will do away with many roads leading to corruption. RECADI, for example, no longer exists. Unfortunately, RECADI was an institution that facilitated the infamous false negotiations, although my government has no proof of any of them. However, my government believes an in-depth investigation is necessary. We will continue eliminating the bribe system, which forces people to pay extra sums of money to conclude their transactions. In that way, we will also contribute toward purging the public administration and reduce the corruption that exists between the public and private sectors.

[Moderator] Next is Gustavo Salon, chief correspondent of the Maracaibo newspaper PANORAMA. With his creativity and work, Salon has increased information in the provinces.

[Salon] Thank you. Good evening, Mr President. I want to hear some good news. Although we all know the critical situation the country is experiencing, what are the possibilities of constructing an alternate route to the bridge over Maracaibo Lake during your presidential term? [Passage indistinct]

[Perez] ...and choose the works the country truly needs and determine which can be built with government resources or with foreign loans, if the importance of the work justifies requesting such loans. The construction of an alternate bridge over Maracaibo Lake is a peremptory need for Zulia State. The construction of that bridge is not a luxury or a whim of the Zulia State residents; it is a need, because depending on that one and only bridge is extremely dangerous and precarious for Zulia State's economy. We are studying a project devised by Zulia residents: the coastal route. That project could be even cheaper than building a bridge similar to the existing one. Zulia residents can be sure we will at least begin the construction of an alternate route for the existing bridge, although I am not sure if we will have time to complete it. We will also initiate the Zulia iron and steel industry. Those are necessary things, not demagogy. They are priorities.

In Venezuela, needs become priorities when they are absolutely essential, because we have to have sufficient resources to invest in all the projects we must undertake.

[Moderator] The next reporter is Francisco Mayorga, ULTIMAS NOTICIAS news director. Mayorga is one of Venezuela's best journalists.

[Mayorga] Thank you. Good evening, Mr President. We would like to know whether you are personally following the cases of the nine university students who were arrested during the 27 and 28 February and 1 March incidents with the thought of granting them a presidential pardon to ensure that they return to classes after Holy Week.

[Perez] Nine students were not arrested. I believe there are six or seven persons whose cases have been transferred to military courts and only one or two of them are students. Anyway, that does not matter. The fact is that there is a group of compatriots who were arrested as a result of the dramatic incidents we experienced. Military procedures are different from civil procedures. Through the defense minister, the military court addresses the commander in chief of the Armed Forces, who is the president of the Republic, to request authorization to proceed with the trial or to dismiss the charges. I have asked the defense minister to ask the military court to take all the necessary steps to give the president access to the files as soon as possible to make decisions in these cases. The relatives of the arrested compatriots and all Venezuelans can be sure that I will only authorize the proceedings to go forward if there are extremely good reasons to do so. If not, I will authorize the dismissal of the charges. I hope to study the cases this week.

[Moderator] Next is our colleague Pablo Hernandez, who is a true representative of the great strides made by Venezuelan journalism in the provinces. He is EL CARABOBENO news director.

[Hernandez] Good evening, Mr President. If you will allow me, I have three questions: First, at what stage is the central region water system project, a work that—according to the government—will solve the problem of lack of water in Aragua, Carabobo, and Cojedes States for the next 20 years; in other words, beyond the 1st decade of the 21st century. Very little has been said since last September when Venezuela signed an agreement with the Inter-American Development Bank to finance 40 percent of the total investment needed for that project. We do not know how far along this project is. Will it be possible to complete that work between 1989 and 1991?

Second, I would like to mention the national railroad system, which is a high-priority project, especially the Caracas-La Victoria-Maracay-Valencia-Puerto Cabello route. These areas are closely linked. Will you honor the promise you made to Carabobo State residents at the meeting ending your campaign in Valencia? You said that during your administration the train would reach Valencia.

Leaving the provinces aside, my third question has to do with the topic raised by our colleague Lissette Gonzalez. My question deals with the plan presented by the U.S. treasury secretary to reduce the Latin American foreign debt. Do you look at the so-called Brady plan with optimism, or do you look at it cautiously as other regional leaders, such as the Latin American Economic System secretary general, do?

[Perez] During my first presidential term, we built a number of waterworks that were designed to solve the water problem until after the year 2000 in order to guarantee Venezuela's economic and human development. Unfortunately, such large projects—which we also designed—could not be completed in the 5 years between 1974 and 1979. We built several waterworks and we left some half finished. The central region water system was one of the large systems based on the Pao and Cachinche River dams. We built the first stage to provide the industrial sector with 5,000 or 6,000 liters of water per second. I am not sure of the exact figure. We also built a huge water treatment plant in Valencia for the entire system. We signed a contract for the second phase, which included the construction of La Balsa Dam to complete the system and guarantee the region's water supply. Unfortunately, that contract was canceled and the project was not completed. The difficulties President Lusinchi faced because of the economic crisis delayed the resumption of this work, which—as the CARABOBENO newspaper representative said—is an important project.

We obtained an IDB loan. It was in relation to this that inexplicable things happened. I must be aware of those things. I must make sure that we do not act like bureaucrats. The IDB approved that loan in November 1987. The money to begin the projects has not yet been released because the Venezuelan Government must contribute a certain amount of money to draw the IDB funds. We have to do this soon, during the 1st quarter of 1989. We must get

that money from the IDB. This situation touches on the inefficiency within our society and indicates the slowness with which we carry out our projects.

I will meet with the environmental and natural resources minister and with the directors of LINOS [not further identified] to study that problem. When I answered our friend Carmona, I forgot to tell him that the situation in Yacambo is similar to the one we previously mentioned. The money for the projects in Yacambo is available, but we have been unable to complete the projects because the company in charge of the projects has not been fully organized, and the company is essential to undertaking these projects. We cannot delay those projects any longer because we need them. I saw to it that the construction of the central region's water system was begun, and I will see to it that that project is completed. I will do the same with the Yacambo project.

Regarding the problem with the railroads, all Venezuelans are now aware of our need for a national railroad system, although that realization was late in coming. Now that we are facing a transportation crisis and now that ground transportation fares are becoming very expensive, we have become aware of our errant thinking in the past. We could have already built the railroad tracks between La Guayana and Tui, but, unfortunately, this was not done, and the Canadian-Spanish team that was to build it was dissolved. That project was to begin in 1979-1980.

Railroad projects are once again under way. We have the ambitious railroad project connecting La Guayana and Tui, which was planned several years ago. We also have the project to build the railroad connecting Tui-Caracas-Valencia-Puerto Cabello. This is the most expensive section of the planned railway. It costs twice as much as the section of railroad between Guayana and Tui. Both sections are, however, essential, and must be built together. One justifies the existence of the other. We have proposals for collaborated efforts from EEC members and various other countries, including Latin American countries, which are being studied by the appropriate Transportation and Communications Ministry offices.

I am very interested in promptly beginning that construction, because the railroad project is long-term. The other states are also asking for their own railroad, but we must address these needs on a priority basis and then gradually expand the railroad system to other areas. For the time being, the construction of the Guayana-Tui-Caracas-Valencia-Puerto Cabello line is the most important. We will soon begin constructing another railroad section associated with the Southeastern Andean Corporation. That railroad line will bring products including coal and phosphorite to a port on Maracaibo Lake to augment the development of Maracaibo Lake so that it can be used as a center for water transportation in Venezuela. That is extremely important for the country. Other railroad sections will be built in accordance with our resources and priorities.

As for the plan presented on behalf of the new U.S. Administration by U.S. Treasury Secretary Nicholas Brady, in an earlier response I said that we gladly and optimistically welcomed that plan because that is the sort of initiative Latin America has been calling for. It also complements a plan contained in the Group of Eight's document signed by the seven finance ministers in Rio de Janeiro. We can honestly say that we fully support and welcome the fundamental objectives of the Brady plan. We applaud the Bush administration's initiative. However, we are still uncertain about its implementation because the implementation of this process to significantly reduce our countries' debts remains vague. We hope that more specifics on the plan will be made available, and we will work toward making it more specific. The main purpose of my U.S. trip was to meet with President Bush, to participate in the Atlanta forum, and to meet with other Latin American presidents. The debt problem is crucial. If we do not solve it, we will be unable to solve the rest of our economic problems.

[Moderator] We began President Perez' first news conference with the national media with a question from the dean of the Miraflores Palace's press corps, and we will now conclude it with a question from another great dean of national journalism: Nestor Mora of BLOQUE DE ARMAS.

[Mora] Mr President, the letters-of-credit issue is currently one of the most confusing. In fact, certain business sectors are saying that the failure to honor the terms of these letters of credit could mean the downfall of many companies. I wish to ask two questions in this regard:

First, do you not believe that failure to honor these letters of credit will tarnish the image of the country and the businessmen themselves in the eyes of their suppliers and international banks?

Second, it has been reported that 50 percent of these letters of credit may be honored as a possible solution. However, other business sectors are claiming that, in practice, honoring the terms of certain letters of credit in this way becomes a fiction, because a higher percentage [words indistinct] takes place in May and June when the volume of imports covered by these letters of credit is relatively low and a lower percentage [words indistinct] in the latter months of the year, mainly in November and December, when the volume of imports is higher. I would like you to enlighten us in this regard by providing some information.

[Perez] I believe that is a good question on which to end this news conference. Many people do not understand—and for good reason—what this problem is all about. In fact, the terms used on many occasions confuse matters even further.

The issue at hand is not one of whether or not to honor these letters of credit. Letters of credit are for real. These documents are issued by or guaranteed by the Central Bank and are given to suppliers of various products coming into Venezuela.

They are documents that are used instead of cash payments. Those ordering products agree to pay within a period of between 180 and 260 days for the goods they import, and this payment is guaranteed by the Central Bank and by the banks through which the importers do business. There is no problem here. This practice is common and nobody can deny that. Otherwise, there would be a conflict between those who sell the products and those who buy them in Venezuela.

Thus, all letters of credit are valid documents. What happens is that the Central Bank or the Venezuelan Government makes a commitment to guarantee possible exchange rate losses. Here is the problem: In keeping that commitment, the Venezuelan Government would have to pay all importers the difference between the dollar value when the orders were placed and the current dollar value that they must now pay.

In other words, let us say that instead of 14.5 bolivares—to use the official exchange rate—they must now pay 37 or 38 bolivares. There is a huge disparity here. There are two major problems: First, making payments on exchange rate differences would mean that all resources obtained by the country as a result of exchange rate variations, which allow the Venezuelan state to handle the serious fiscal situation posed by its budget, would end up in the hands of the private sector, of the importing sector.

As a result, the public sector would not be able to grant subsidies or wage increases; the Venezuelan state would not be able to continue offering compensation to sectors with fewer resources. Also, the IMF did not want the Venezuelan Government to pay for exchange rate differences or exchange guarantees, because it grants no loans to honor such payments. The IMF also cited an international principle that import risks are always borne by the importers. Venezuela was facing a very serious problem because it had no sole exchange rate since there were different rates.

The Venezuelan Government first had to wage an arduous struggle to convince the IMF to allow it to pay for 50 percent of these exchange rate losses. We were granted this concession after explaining the situation. Otherwise, we would not have been able to sign a letter of intent with the IMF, and the Venezuelan economy would have collapsed, because no country would have loaned Venezuela a single dollar. This is the reality of the situation.

The private sector will assume 50 percent of the exchange rate risk and the public sector the other 50 percent. The public sector had some trouble distributing its 50 percent, so it considered some commercial sector practices. It is taken for granted that every corporation has on hand a 6-month inventory, though in fact this is usually a 3-month inventory. Some products, like food, are consumed immediately. It is assumed that the products that arrived as late as May or June have already been consumed. These products were sold at prices in accordance with the prevailing exchange rate at the time the products were received. The total exchange rate risk was accepted for these products and the full price, either 7.50 or 14.50 bolivares, was paid. In addition, 50 percent of the exchange rate losses will also be honored for the other products that arrived during that period since they supposedly have already been consumed.

For the period from June to November, gradual steps were established because only some of the products imported during that time were taken into consideration, since it is supposed that, according to inventories, some of these products have not yet been consumed. So these products can absorb the losses by being sold at higher prices. An alternative would have been to establish a new [words indistinct] to determine how the products were imported, where they are, and what has been done with them. This led to a general situation in which there were no privileges, not even the possibility of any, for anyone. Whoever demonstrates that his letter of credit was registered prior to June will receive a certain discount. Whoever can show that his letter of credit was registered in July or August will get a different discount, and so on. The discounts will be gradually reduced to a final small one.

Generally speaking, this is the system that has been adopted. It leaves no room for any manipulation that would be detrimental to the country or individuals. This is all we could do. This will not hurt Venezuela's credit rating, first, because this action was completed in a very responsible manner and, second, because this was an action that had to be taken since this was the most we could get the IMF to agree to and still get it to approve our letter of intent. The situation is quite clear.

I want to thank all the reporters who kindly attended this news conference. I also want to thank all who will read about it and those who have listened to my words. I assure you all that I will keep in constant communication with all sectors of the country. I will visit all regions of Venezuela to keep in touch with all sectors in the country. There will be difficulties, but I intend to implement a program to modernize the country and restore peace and well-being to all sectors of the Venezuelan community. Good night.

Official Announces Reprivatization of 3 Banks

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[Text] Caracas, 22 Mar (EFE)—Venezuelan Finance Minister Eglee Iturbe de Blanco announced today that the government has decided to reprivatize three banks now being run by the state. The financial institutions that are to be reprivatized are Banco Italo Venezolano, Banco Republica, and Banco Occidental de Descuento. The state had previously intervened when these three banks became technically bankrupt because of bad management.

Iturbe said that the Venezuelan Investment Fund, an official organization, will continue to hold 20 percent of the capital of those institutions and will be in charge of "coordinating and promoting" their reopening and their customer drive.

The finance minister pointed out that the purpose of the government's decision is to "democratize" capital and to facilitate the participation of other business ventures in the Venezuelan financial system. The request for the reprivatization of these three banks was put before the Executive Cabinet by the Venezuelan Central Bank, the institution that issues the national currency.